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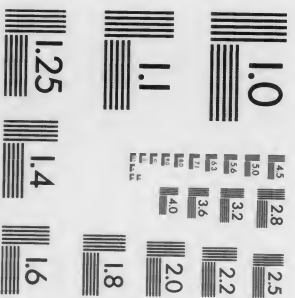
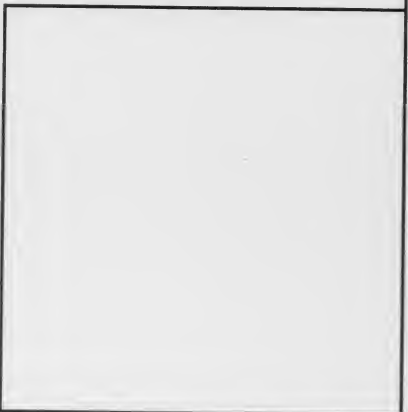
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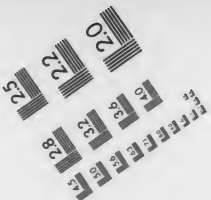
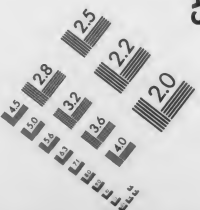
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The Annals

VOLUME CIII

SEPTEMBER, 1922

With a Supplement: A Study in Labor Mobility

By

THE INDUSTRIAL RESEARCH DEPARTMENT
WHARTON SCHOOL OF FINANCE AND COMMERCE
UNIVERSITY OF PENNSYLVANIA

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FOREWORD

THE officers of the Academy have received from many of its members requests that the Academy devote a special issue of *THE ANNALS* to a consideration of the relationship of the churches to industry. The editorial council decided to carry out this suggestion and this volume is the result. The special editors chosen to prepare the volume are each preëminently qualified, by their knowledge and experience, to place before the country the views of the best minds in our churches on industrial relations.

Dr. John A. Ryan, who in addition to his duties in the National Catholic Welfare Council carries a professorship in the National Catholic University at Washington, is one of the foremost authorities on economic and industrial problems in the Catholic Church in America. He had a large part in the preparation of the well-known Social Reconstruction Program issued by the Catholic Bishops, and his books on wages and other economic problems are widely read.

The Rev. F. Ernest Johnson is director and organizer of the Research Department of the Federal Council of the Churches of Christ in America, which is concerned with the study of social, economic and industrial problems, as an aid to the educational program of the Protestant churches. Previous to his connection with the Federal Council, Mr. Johnson held pastorates in New York City and else-

where, which furnished a background for his present activities in the field of human relations.

The close of the War witnessed a slump in ethical standards of a kind that usually characterizes post-war periods. It was no longer possible to appeal with any assurance to that high standard of conduct which had characterized so many men in business and so many workmen before the war period. There was a general admission that the churches had lost for the time being much of their influence as agencies of social control. No social institution can be set apart from the influence of other social institutions. The social function of the Church is to set high standards of conduct in industrial, commercial, social and every other vital phase of human life.

The special editors of this volume, representing as they do the overwhelming majority of the church-attending people in this country, have herein brought together the thought of some of the best minds in America on the ethical issues at the heart of our industrial problems. Whether as individuals we are employers or wage-earners or consumers, we each certainly care to know the views on industrial relations of those leaders in our churches who have given special consideration to the ethical phases of industrial relations.

CLYDE L. KING,
Editor.

The Moral Diagnosis

By REV. WM. J. KERBY, PH.D.

Professor of Sociology, Catholic University of America

THE industrial conflict is found wherever labor and capital are united in one industrial operation and are at the same time at variance concerning authority in industry, income from industry and the details of operation. The parties immediately concerned in any one controversy or outbreak are employers and employees. But the issues are fundamental. Reverberations work their way outward and reach all classes, professions and groups. There are practically no neutral spectators to the struggle. Whether conviction, economic interest or association be the determining factor, everyone who has wide sympathies and active intelligence will be disposed to take an attitude. Thus the industrial conflict goes on in every kind of social group and social gathering. It divides men of the same political party, of the same religion, of the same race or class. In so far as men are attracted by social ideals and impersonal search for justice, a group arises which is solicitous for the common welfare, earnest in serving it and free from the tyranny of self-interest or prejudice. Public spirited men, scholars, religious leaders and thoughtful men and women of every type represent the group of practical idealists who seek the way to industrial peace. This three-fold division—labor, capital and the public—is reflected in the composition of arbitration boards of many kinds which aim to deal with particular issues as they arise in the conduct of industry. All three of these classes are represented in the composition of this volume and an endeavor is made to secure a presentation and interpretation of the factors in the struggle and of the forces which operate

in the direction of peace from both partisan and general standpoints.

In ordinary times the conflict is largely verbal. Feeling and conviction are represented in literature, conversation and orderly advocacy of particular views. In an acute phase of the conflict, as, for example, a disagreement in a particular plant, we find the struggle in its concrete form. It will vary in intensity from orderly disagreement to violence. It may relate to substantive demands, such as increase or decrease in wage rates, to technical demands involving the exercise of authority, to conditions of labor, or to the recognition of the union or the return of the dismissed employee. Sometimes the issue is symbolical rather than actual, as, for instance, when Mr. Baer at the time of the anthracite strike was willing to deal with John Mitchell, and absolutely unwilling to deal with John Mitchell, president of the United Mine Workers.

On account of the solidarity of the employers on the one hand and of all organized employees on the other, we find that on both sides of the struggle the best mental effort of both groups is involved in every particular conflict. The intensity of feeling, the determination of the contestants and the extreme attitudes taken, are out of all proportion to any particular issue, and are in proportion only to the magnitude of the issue as a whole in the industrial world. This is perhaps the most obstinate feature of the situation.

PARTICIPANTS IN THE INDUSTRIAL CONFLICT

While we may say that the industrial struggle involves practically all society,

it is equally to the point to say that the struggle does not involve all industry. There are large numbers of laboring men indisposed to raise issues, willing to work without challenging the authority of the employer or the regulations that he sets down. Whether this indifference on the part of laboring men is due to low standards of living or to no standards of living, or to the experience of oppression that has stifled all impulses toward larger justice, is beside the point. Whether the cause be dislike of unionism, reluctance to make the sacrifices of personal liberty belonging to it, or to the belief that the laborer can promote his own interests best by standing out against organization, does not change the situation. Whether this lassitude, individualism or self-confidence of the laboring man is a bad thing or a good thing in the summing up of life and the interpretation of human progress, is not now under consideration. We may in any case eliminate from the actual industrial conflict all laboring men who refuse to raise issues and are willing to submit to the authority of the employer. We may confine attention, then, to that portion of the laboring class which is organized, which raises issues and maintains attitudes at any cost.

We may also eliminate situations in which labor is strong and the employer is weak. The employer who, for any reason whatsoever, believes that the substantial demands of organized labor are warranted and who goes a long way toward complying with them, may be dismissed also from consideration in the industrial conflict. We have remaining, then, the strong employers and the strong labor organizations in whose relations the struggle attains to degrees of intensity that challenge our institutions and search out relentlessly the resources of our social ideals. But not all of these classes are included in

the actual industrial conflict. There are wise and high-minded men on both sides who take large views and impersonal attitudes, who find the way to industrial peace in their individual plants and maintain it through sheer good will and kindly understanding. The number of leaders on both sides who would gladly take such an attitude is more or less reduced by the tyranny of class. The employer is told by his friends that he must stand by his class. The labor leader is, likewise, the defender of his class. This social pressure reduces the possibility of maintaining stable and peaceable relations and working out economic success in many industrial plants.

TENDENCIES TOWARD PEACEABLE ADJUSTMENTS

Passing from the consideration of leaders to that of arrangements we find that collective bargaining between employer and labor union contributes extensively to the furtherance of industrial peace. We may therefore eliminate from the discussion for the present all collective bargaining arrived at without struggle and operated without misunderstanding.

When neither leaders nor collective bargaining can succeed in maintaining stable peace and differences between employer and employee come to the point of conflict, we find very frequently that mediation and arbitration prove effective. These measures prevent the strike which is in itself economically harmful. Where they fail or do not apply and the strike occurs, we see the consequences of unreconciled differences between labor and capital. Or where either or both sides resort to violence, threat, deception, spying, malicious misrepresentation and even death to individuals and destruction of property, we find present the full logic of the bitterness of the struggle

and the defeat of our social and spiritual ideals.

To some extent, progressive social legislation removes many details from the field of conflict. This legislation has succeeded in toning down the asperities of unrestricted competition, and it has removed from the bent shoulders of labor many heavy burdens of industrial risk that perhaps, on the whole, employers have regretted quite as much as the laboring men themselves.

We should not overlook the striking value of industrial research which has brought to the surface a great range of authentic information concerning the facts in industrial life and has given us a more complete analysis of the relations of death, disease, injury, poverty, and inefficiency to the old conditions under which industry operated. The missionary value of accurate information and of authentic interpretation of industrial life and processes is displayed, first, in the progress toward industrial peace already hinted at, and second, in the fact that in very many of our actual industrial conflicts there is disagreement as to fundamental and essential facts. Perhaps nothing can contribute more directly to further the interests of industrial peace than the spread of actual information concerning the facts of industry and the aspirations of those involved in it. When that information is of sufficient quantity and of satisfactory quality it tends to build up a larger social philosophy which serves as a corrective to the extremes of emphasis placed by employers and by labor leaders on their respective claims.

In estimating the situation it is well to remember that the employer is in possession, and buttressed into superlative strength by that fact. The property system endorses him, the traditions of industry justify him, ethical standards corroborate him, legal pro-

cedure and presumption favor him. The inadvertence of the public, the narrowness of the law and the sympathies of accepted culture are his allies. On the other hand, innovation is bad form. The laboring class is under the disadvantage of finding that the public does not understand their claims. The laws have not provided for them. Constitutions have made the recognition of many of them legally impossible; hence laboring men have been compelled to force through issues separately. They have been conscious of fundamental inequality in fact before the law, and they have to await the slow unfolding of a new philosophy which will challenge industrial authority and demand a revision of the functions of the State and the operations of law in serving to secure industrial justice.

LEADERSHIP

The industrial conflict is a problem in leadership. Ignorant and selfish leaders can destroy any cause. Enlightened and high-minded leadership is, next after justice, the greatest asset that any cause can have. If only men of the highest moral integrity, impersonal outlook and culture came to positions of authority and power among both employers and laborers, a long step toward industrial peace would be taken. The harm done by narrow-minded and unworthy leaders on both sides is beyond all calculation. Every instance of trickery, selfishness, misrepresentation, malice, bribery, theft and even murder, as these have been found in the history of the struggle, has done permanent harm to the interests of industrial peace. When character is not stronger than temptation only moral disaster can result. When leaders are not respected no cause can triumph.

No social arrangements that can be

undertaken, no arguments however strong, can serve well the cause of industrial peace if the leadership is not as noble as the cause or as intelligent as the issues demand. The loss of mutual respect among contending leaders, proneness to suspicion, to indirection and to the subtle tactics of self-defense must be enumerated as the most effective obstacles to industrial peace which we face. Character and intelligence are required. Intelligence is necessary because the laws of social progress must be understood; the delicate balance of conflicting claims must be sustained; toleration of the slow complex processes of historical change must be found always. Only disaster could result if employers yielded to the demands of laboring men without regard to economic laws. The mysteries of human motive, the complications of credit and the exactions of business risk all make imperative the need of far-reaching foresight in the midst of the competitive struggle. The labor leader who drives ahead blindly and insists on his isolated demands without adjusting them to the severe limitations of life and of the facts in the situation, serves his cause badly.

Character is required no less than intelligence. Leaders on both sides must be lovers of justice, genuine friends of truth. Unless their moral fibre is strong enough to release them from the tyranny of selfishness and self-seeking, they will drift into an opportunism in which their ideals will perish and they will sink back to the low level of brute force and we shall know no peace.

It is impossible to overstate the importance of leaders, and of intelligence and character in them, in seeking industrial peace. Religion is called upon at this point to do fundamental work in character building. Its assertion of spiritual values, its emphasis on the

intangible compensations of life, its cultural outlook upon life as a whole and its insistence on the sanctity of service, are essentials in the training of industrial leaders.

CONSCIENCE IN OWNERSHIP

Were our industrial leaders on both sides as intelligent and high-minded as we might ask, an industrial problem would still remain in the form of a reasonable conflict of economic interests. Differences as to authority in industry, as to income from industry and as to details of operation will remain to sharpen thinking, improve caution, and slow down the impulsiveness that is so harmful in institutional life. Men are never more wise than when they face a challenge which they must respect. Industrial authority like any other is expansive. Differences of judgment among men will remain forever. Without ideals we shall sink into barbarism. With them we are made restless and aspiring. The property system as such and the conditions of the distribution of property are involved here. We have today large industrial units, large amalgamations of capital, parceled ownership through stockholding and separation of ownership from management, in that owners do not manage and managers do not own. We have representative government in industry as we have in political life. The directors of industrial corporations are representatives of the owners of an industry. They are not the owners. We have majority control and the manipulation of that majority is as clearly marked as in any legislative assembly that ever acted. We find the infinite delicacy of the system of credit and finance, the tendency of controlled credit to drift toward small groups whose imperial power in the industrial world exceeds the dreams of a Roman Caesar. The executives in

control of an industry obey the directors and the directors establish policies that will produce dividends. The dividends are distributed to the one thousand or thirty thousand scattered owners. The result is that the conscience of ownership is separated from its functions. An entirely new dominant motive is introduced and an industry must maintain prestige in the competitive struggle, produce dividends, protect credit, and maintain stock and bond values. In this way the economic motive takes on enhanced power in the practical direction of industry and the human consideration of the wider interest of labor is undoubtedly weakened.

From this standpoint the problem is one of reuniting conscience and responsibility with ownership and of forcing upon dividends a Christian spirit and impulse. Religion has a task at this point in restating the responsibilities of ownership, in reuniting conscience and ownership, and in devising a more worthy recognition of the weaker element of labor in the industrial process. This entire task may be described by saying that it is necessary to devise a new ideal of social justice, a new bill of industrial rights which will serve the industrial constitution as the bills of political rights serve the development of the political constitution in the history of human living.

The supreme motive in the industrial process is profit. The individualistic philosophy upon which our industrial fabric has rested frankly declares that the appeal to selfishness is the driving power of life, that that motive alone is powerful enough to feed and clothe the world, promote progress and place the latent genius of mankind at the material service of the race. No one denies the sanctity of justice provided he may define it. The employer seeks and serves justice as he defines it. The

laborer seeks and serves justice as he defines it. The two disagree in their definition of justice as applied to present social conditions. Approach to agreement as to what justice is in terms of authority, income, and details of operation, is the direct way to industrial peace. If the employer insists on his concrete definition of justice to the exclusion of all others, there can be no peace. If the laborer devises his own definition of justice to the exclusion of all others without regard to the complex limitations of life and without compromise, there can be no peace.

All social institutions operate by force of factors which they themselves do not control. Good will, mutual trust and respect, confidence in the divine order of life, control of valuations that will stand against all selfish pressure must be interwoven into all institutional management if we are to have peace. Religion as the interpreter of justice and of human values is called upon to lend its best efforts to such discounting of conflicting standards of justice as will prepare the way for understanding.

Certain modifications of industrial authority, new ways of calling in the conscience of all stockholders as a determining factor in business policy, pressure from stock and bond holders upon directors, the promotion of stock and bond ownership among laboring men, promotion of coöperative efforts and of various forms of insurance and saving, the extension of social legislation at points of greatest pressure and menace to the laborer, the assumption of new protective functions by the State, seem to be imperative as scattered efforts toward social justice. It would be no service to human progress were we to ask the laboring class to surrender its idealism. It would be no service to progress to reserve all of the authority in industry to those who con-

trol it. The converging of effort and research upon the extent to which the employer can yield and labor can be self-controlled in seeking a common definition of justice are tasks that are now at hand.

INDUSTRIAL LIBERTY

The problem may be stated again in terms employed by Von Scheel in the early seventies in Germany. He described the labor question as consisting in the consciousness of contradiction between political emancipation and economic dependence as experienced by the laboring class. The development of personal liberty and the philosophy of the modern state have given to the individual an enhanced self-appreciation which is the cornerstone of democracy as it is the fundamental truth in the teaching of Christ. The individual craves life, growth, security, and the opportunity to enjoy a reasonable share in the culture of his time. Our political teaching is based on these truths. The operation of our institutions assumes that the individual does understand these aspirations and that he acts upon that understanding. Rapid industrial development that placed the laboring man increasingly under the domination of the employer was in conflict with this enhanced self-appreciation. Now the fundamental power of the labor movement is derived from the spirit of democracy. The laboring men believe that their political democracy has been made futile by the experience of industrial dependence. The whole struggle seen from this standpoint consists in the determined effort of laboring men to introduce the spirit and some of the ways of democracy into industry. The industrial conflict is, therefore, a phase in the solemn process of the readjustment of political and industrial institutions in western civilization. It is use-

less for any employer or any state or statesman to attempt to ignore this tidal movement of the world. It is useless for any employer to believe that he can do anything more than hinder for a moment the progress of the process in a particular industrial plant. Wisdom will be found only through the proper understanding of this process of social readjustment as a whole, and in drawing upon history for the wisdom needed to guide it safely.

Nor can laboring men on their part afford to ignore the lessons of history, the penalties of revolution, and the sanctities that restrain all great social effort. Political rulers who ignored popular aspirations have gone down to death, and institutions have crumbled because of attempts to resist this cosmic movement. But the day of liberty has been long delayed when subjects defied the orderly process of social change. They are best friends of progress who control the urge of the indiscriminate passion for liberty. There can be no doubt that much of the delay that industrial justice has suffered, much of the misunderstanding that has prolonged the agony of the weaker social classes may be ascribed to the mistakes of judgment and faults of motive that have led men to see the world through inflamed vision instead of the calmer light of reason. The spirit that prevails in the industrial conflict is due largely to what one may call divided thinking. Every social interest must be seen in its place in the whole of social life. No industrial leader can think clearly if he insists on thinking out the relations of the world from the standpoint of economic interests. That interest is one of many. Life is more than raiment. If employers would but think of life from the standpoint of life itself, they would readily gain an insight which would dis-

pose them to adjust economic claims to higher human claims. If they would study the social conditions that leave the weaker classes helpless and that baffle their legitimate aspiration for fuller life, for freedom from economic fear and for reasonable dignity and opportunity, understanding would be given to them where it now fails.

But the mistakes of divided thinking are found also in the advocacy of the interests of the employee. Reckless insistence on demands without due allowance for the complication of social change exposes one to mistakes in action which hurt confidence. Refusal to act on limitations which employers do not invent and cannot control leads employees into positions which their best friends cannot endorse. If, then, each party to the controversy were to study his own claim, not in itself, but as a subordinate phase of life as a whole, a widening of sympathy and improvement of understanding would result which would point the nearer way to industrial peace.

This divided thinking is a mistake from every social standpoint. Until it is corrected, we can expect no basis

of stable peace. The mistake is one of method. It seems that religion has an opportunity here which promises much among those who accept its message with confidence and respect its claims with reverence. Religion touches the whole of each man's life and the whole of social life. It aims to diminish emphasis on the interests that divide men and to increase it on the interests that unite them. It is safer to interpret competition from the standpoint of human brotherhood than it is to understand brotherhood from the standpoint of competition. The sanctities of property are borrowed from the sanctities of life. The sanctities of life will never be understood and respected if only economic thinking is to guide one. The work which religion has to do extends to such correction of habits of thought, and of points of view as will place all of the related interests of life in true proportion to one another. Once this is accomplished, the way to industrial peace is pointed out. Until this is done, hope for justice and peace will be confined to what social authority can do by force and law.

Industrial Conflict and the Local Community

By EDWARD T. DEVINE, PH.D.

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THE local community may come into contact with industrial conflict through (1) its courts; (2) its police department; (3) the Chamber of Commerce or civic or commercial clubs; (4) sympathetic trade unions or central trades councils or federations; (5) the churches; (6) special *ad hoc* committees, either self constituted or appointed by some other body, such as a mass meeting of citizens or the churches; (7) the newspapers; (8) the schools; (9) individual representative citizens; (10) intangible public opinion.

THE COURTS

The courts, deriving their powers from the sovereign state, exist to determine legal rights which may be in dispute between individuals, to ascertain whether alleged offenses against the laws have really been committed by the accused, and to assess damages and fix punishments. They also, in exercising these powers, have occasion to determine what the law really is: whether, for example, a statute is constitutional or an ordinance legal; whether a previous court order or injunction is valid; whether a policeman or other peace officer in a given instance has exceeded his powers; whether an indictment found by a grand jury shall be quashed for some reason or tried. From justice of the peace or police magistrate to the highest courts of appeal, the courts come into relation with industrial conflict, as with every other form of social conflict in which personal injury may occur and in which property rights are involved. In the most peaceful and orderly strike or lockout questions are likely to arise as

to the enforcement or violation of existing agreements between employing corporation and wage-earners. In the greater and more prolonged conflicts there are likely to be riots, destruction of property, even loss of life, furnishing work for the criminal courts; and also delicate questions concerning the most fundamental of human rights, such as the right of assembly, the right of free speech, and the right of contract.

The impartiality and the competence of the judges who are to decide these questions are obviously the prime consideration. That there should be general confidence in the fairness of temper and also in the technical knowledge of the judges—in their knowledge not only of the principles of law and equity but also of those economic conditions out of which the disputes arise and the industrial relations in which the disputants stand to one another—is greatly to be desired.

On the whole, employers and investors seem to have such confidence. The remark is not cynical. It is not that they have confidence because they think the judges will uniformly decide in their favor. This would be quite untrue. There are occasional decisions against the corporations. What the officers and directors of the employing corporations think, and those whose interests, large or small, are in profits and dividends, is that, on the whole, they get a fair hearing; that, when legislators become demagogues or local opinion prejudiced, the courts may be expected to give the protection to which even the unpopular are entitled; that the judges, especially the ap-

pointed and long-term judges, are not likely to be influenced by the clamor of the multitude and the passions of the passing hour; that they sit more or less aloof from the influences which sway ordinary mortals, serene in their knowledge of the way in which similar issues have been settled in the past and determined to do justice though the heavens fall.

Unfortunately, this is not the way strikers or locked-out wage-earners ordinarily feel about the courts. It may be because of their ignorance or natural perversity, but the fact is certainly that they rather expect the courts to be antagonistic. They think they have had to wrest the right of peaceful picketing from reluctant judges; the right to collective bargaining in the face of ancient judge-made conspiracy laws. They think of injunctions in labor disputes as simply one more exceedingly effective weapon against them. They think that judges are human, like themselves, in that they are influenced by the current opinions, prejudices and passions of those with whom they associate, and that they do not, after their election to the bench, unless just before a re-election is in question, associate very much with wage-earners. They think that judges naturally and inevitably take the point of view of the prosperous, property-owning classes rather than that of the industrial workers. They recognize that it is easier for a judge to be sympathetic with a particular individual criminal whom he may have to sentence—a murderer, forger, wife-beater—if there are exceptionally appealing circumstances, than to be sympathetic with a miscellaneous lot of milk-wagon drivers, for example, who by their strike appear to be the direct cause of much inconvenience or suffering in the community, or with railway employees or coal miners, when the supply of a

necessary service or commodity is at stake.

It is a race between the better economic education of judges and of the legal profession from which they are necessarily drawn and the disaster which is surely involved in a complete and irrevocable loss of confidence in the courts on the part of the majority in industrial communities, or of so large a minority that, as in the case of several European nations, it may act like a majority. The present issue between the courts and the conservative American Federation of Labor in the use of injunctions is a straw which indicates currents of the wind. The storm has long been brewing. Such injunctions as have frequently and of late increasingly appeared in labor cases will be increasingly opposed and perhaps defied. New legislation, or wiser and more discriminating action by the courts, may prevent the growth of revolutionary hostility.

The remedy for the precarious state into which the courts have drifted is neither new nor startling. It is the remedy which Bar Associations and all thoughtful jurists advocate: the careful selection of candidates for judicial office from the highest to the lowest; selection based upon character, learning, a judicial temper, strict impartiality, keenness of understanding, a knowledge not only of the frame-work of the law but also of contemporaneous developments in industry and commerce, capacity for discarding traditional attitudes which no longer correspond to facts and courage in applying new knowledge—such qualities, for example, as have been most brilliantly illustrated by the two distinguished Bostonians who are now on the bench of the United States Supreme Court and as are equally well illustrated by the present deans of several law schools. It would be a very stimulating thing

for the President to make the next appointments to the highest court and to other Federal courts from among these outstanding modern teachers of the law.

POLICE DEPARTMENTS

Police departments are seldom adequately equipped to deal with the disturbances incident to severe industrial conflicts. Their ordinary duties, miscellaneous and exacting as they are, do not especially prepare the ordinary policemen for handling riotous outbreaks, or for protecting either strike-breakers or pickets. The state militia has not in practice done very much better. The state constabularies or rangers have been more effective in some states, as far as the preservation of order is concerned, but they have not inspired confidence in their ability to confine their activities to this important service. The United States Army alone, in those unfortunate instances in which the disturbance has been grave enough to call for federal intervention, has been well enough officered and disciplined to know how to preserve order without becoming partisan. The experience of the officers in charge of the government troops in such instances has not been such as to make them especially keen about this kind of service.

The successful use of federal troops in this way, however, has not been without its effect on local police departments. They should be equipped and instructed for service in every emergency, and industrial conflicts are now likely to be among the most frequent of emergencies. They must learn the best means of controlling dangerous mobs, of preventing riots, of quelling them while they are incipient, of preventing lawless and illegal acts, while respecting both individual and collective rights. They must learn

the difference between strikers and rioters, between pickets and vagrants, between incitement to riot and that chaffing which all disciplined soldiers and policemen take good-naturedly at its real value. But it is not only the individual policeman who requires instruction, training and discipline. Behind the policeman there must be a clarified and law-abiding public opinion. There must be a cheerful taxpayer, ready to furnish a police force large enough and sufficiently equipped. Much more important even than this is the need for a citizenry ready to back up the police in a reasonable display of force when this is necessary, in every courageous performance of duty.

The federal soldier may be individually far less capable than the individual policeman, but he has the prestige and the authority, with the government behind him, and his bearing is both more confident and more restrained. He is less nervous and less likely to be a bully. The local policeman is of course more likely to have personal friends among the strikers than a state constable or a federal soldier. He is more likely to be subjected to the annoyance of a personal complaint by some aggrieved citizen who may have influence with his superiors. He is even apt to have personal views on the merits of the controversy. There must be all the more determined effort to keep the policemen impartial, above personal partisanship or resentments, confident of recognition and support if he remains cool, good tempered and courageous. If his provocations are greater than those of a state constable or federal soldier, on the other hand, he will be on the ground earlier, he will know the local conditions better, and his interest in upholding the good name of the community for order and fair dealing is stronger. Those who have

the opportunity to influence local public opinion in regard to industrial conflicts can do no better service than to put a discriminating and vigorous public sentiment behind those policemen who with tact, skill, good judgment and if necessary with self-sacrificing heroism, keep the peace while industrial conflict rages.

BUSINESS ORGANIZATIONS

The chambers of commerce, rotary clubs, and other associations made up mainly of business men, sometimes assume to be more representative of the community than they really are. They usually include clergymen, lawyers, editors and teachers. They often have some subordinate representatives of manufacturing or business houses as well as the heads. They seldom have serious representation of labor. They reflect the psychology of bankers, brokers, merchants or manufacturers. These are of course exceedingly important factors in the community, and they are entitled to their organs for creating, expressing, and propagating their own interpretation of current issues. It is greatly to be desired that organizations of this type should follow the example of the New Jersey State Chamber of Commerce in relying upon a qualified technical bureau for the study of subjects on which they are to express opinions. The more common practice is to appoint a committee which merely puts on paper opinions already current, snap-shot judgments, even on very complicated and controversial questions.

Frequently even this formality is omitted and a body which purports to represent the whole community will commit itself by resolution, with no further information than is attained by listening to an after-luncheon partisan address or to an obviously propagandist circular letter. Those who have

a strong sense of community, whose sympathies are broad enough to embrace the interests of both wage-earners and employers, women and men, farmers and dwellers in town, foreign-born and native, will not be too much impressed by the action of commercial organizations unless there is evidence that their action rests upon sympathies as broad as their own. Business men, however intelligent and broad-minded, cannot speak for workingmen as well as the latter, however inarticulate, can speak for themselves. Either the civic bodies so-called must be more inclusive in their membership, or their views must be taken for what they are: fragmentary, perhaps sound and perhaps unsound; one sided, perhaps right-sided and perhaps wrong-sided, in any particular controversy.

LABOR ORGANIZATIONS

The world of labor, like that of business, is accustomed to think of itself as self-sufficient. Their illusion is not often so complete. They are reminded often enough that there are other circles outside of and often hostile to their own. They are aware of these outside groups but not always fair to them. They resent sometimes—because coming from the outside—what are quite genuine efforts to promote causes in which they should be interested and in fact are interested when identified with labor. Labor looks to its own press, its own unions, its own leadership for light on labor questions. In this, labor resembles business, and perhaps some other organized interests, say religion. But these closed charmed circles, whether religious or economic, are all equally inimical to normal human relations. Labor, like business, is entitled to its organs for creating, expressing and propagating its news. When trades councils speak they are speaking, and are fully conscious that

they are speaking, for only one side. Nevertheless, they will get a hearing in proportion as they are able to identify their interests with those of the community as a whole, and in order to do this they have need of broad and verified knowledge, such as can come only from the coöperation of expert investigators, who may be at the same time absolutely loyal to the interests of labor, while also loyal to scientific method and the truth.

THE CHURCHES

The churches represent a different approach to industrial conflict. By hypothesis they are neither partisans nor, like the courts and police, indifferent as between parties. They are against conflict and for coöperation whenever conflicting interests can be reconciled or a basis found for coöperation. The finding of a basis and the reconciliation of conflicting interests may be their special task. They are for a way of life in which service rather than exploitation, good will rather than conflict, the truth which frees rather than the partial error which binds and blinds, are a matter of course. They are divided among themselves, but not on industrial questions. Against violence, injustice, oppression, hatred, every religion lifts its voice, every church protests. That they have a clear duty to assert their principles, their faith, in the midst of the local conflict is now scarcely denied. Just as the courts and the peace officers have to uphold law, so the churches have to uphold good will. They must insist on righteousness as firmly as the courts insist on law-abidingness, although the means by which they are respectively to be upheld are different. The courts pronounce verdicts enforced by sheriffs. The churches pronounce judgments enforced by moral influence. Alas for the churches which

find their influence gone because they have not exercised it, because they have frittered it away on issues which are trivial.

The churches have their standards, by which the conduct of strikers and strike-breakers, employing corporations and their stockholders, courts and police, army or constabulary, may be judged. The community has a right to look to the churches to hold high these standards and in time of confusion and uncertainty to apply them in no uncertain terms. The churches, like chambers of commerce and trade-unions, have need of expert assistance in securing the information on which righteous judgments may be based. The inquiry into the facts made for the churches differs in no respect from the inquiry to be made for any other body which needs the same facts. There is no such thing as a religious investigation of industrial controversy; but there is such a thing as a religious reaction to the results of the investigation. There is a distinct part for the churches to play in the final determination of the relation between the community and industrial conflict.

CITIZEN COMMITTEES

Circumstances may be such as to justify and require the intervention of a special committee. The strikers may get out of hand and through a general strike imperil vital interests of society. The employers may seize virtual control of courts, constabulary, and organs of public opinion, and threaten even more obviously vital interests. There might be no indication of power of recovery on the part of the recognized social institutions. In self defense, the community may have to reorganize itself to afford the "first aid" required, as to an asphyxiated sufferer. More frequently, the committee may be needed merely to enable

the people, harassed by conflicting evidence, to find out the truth. Such committees have now and then been of service as intermediaries at critical moments. Generally, however, an official mediator can better perform that service. The special committee is most useful in getting at the disputed facts, putting on record the results of its inquiries and interpreting its issues. Its members must expect to be criticized and even vilified. It is not a service for unduly sensitive souls. The outstanding instance of great service of this kind is not a purely local inquiry, but is one in which the interest was nation-wide, and the investigating body drawn also from the entire country—the Commission of Inquiry of the Interchurch World Movement, which investigated the steel strike of 1919.

THE PRESS

The newspapers are the natural and universal points of contact between the local community and the parties to an industrial conflict. What the general public knows about the issues involved, it gets chiefly through the daily press—and chiefly through the headlines at that. In advance of a strike the public mind is prepared by the editors and reporters. While it is in progress, a few will see for themselves, but even the incidents of the struggle are known to most as the press reports them. When a settlement is made its terms are understood as the press records and interprets them. After it is over the sediment of resentment or satisfaction, as the case may be, is such as the newspapers have discovered and preserve. This is not true of every section of the community. Employers have their secret service whose information may remain on file for future use. The workers have their personal and pooled experiences, the memory of which remains. The churches in rare instances

may gradually accumulate the elements of a community conscience and memory. The courts add to their precedents. All these elements enter, in some degree; but as a rule, except in so far as they are reflected in newspaper stories, headlines and comments, they affect only a few individuals or groups. The labor world itself is not so organized that experiences of conflict, and the subsequent memory of them, become a common possession. The press is therefore the source, or at least the medium, from which the community learns about industrial conflicts, present, past and impending.

It is difficult to make any general statement about the press in its relation to industrial struggles to which exception could not be taken, supported by illustrations. That employers have more reason on the whole than wage-earners to be satisfied with the newspapers could no doubt be proved. As in the case of the courts, they would probably attribute this not to any venality or partisanship of the owners or editors of the newspapers, but merely to what seems to them an obvious fact—that strikers and dissatisfied workers generally are almost certain to be in the wrong, to be ignorant and stupid people under the influence of radical agitators. Naturally, therefore, their acts cannot be presented otherwise than in an unfavorable, if not absurd, light, and naturally employers, coming from the better educated and intelligent classes of society, and knowing their business in its larger aspects, are more likely to be worthy of the favorable showing which they receive. What labor leaders have to say in an acute conflict is of course news, and as such will be reported. There are limits beyond which no self-respecting newspaper will go in suppressing or ignoring the grievances of workers, once they have been clearly formulated

and established. Numerous instances could be cited of complete impartiality in presenting the two or more sides of particular controversies. The competition of the labor press, and the large circulation of certain newspapers, which are as capitalistic as any but cater to working people for sales, have created a certain security against the stifling of real news merely because it is favorable to labor's side of a controversy. This is not to say, however, that in particular communities the contrary may not be true. The papers which circulate in the tenements may be influenced by personal or political considerations, which in a given case may lead them to betray the very causes which they are supposed to represent. Personal idiosyncrasies of publisher or editor may suddenly distort the news as well as the editorial interpretation of it. In a particular city the whole level of the press, its standards of journalistic ethics, may be incredibly low. If so, the labor side of any serious conflict is apt to have a very raw deal. What is worse, the community is very likely to have misinformation and inadequate information.

The real grievance of the community with the press is less that there is bias than that there is lack of enterprise. The newspapers do not see the opportunities for legitimate journalistic effort which lie in exploring the dark continent of industrial anarchy. The wastes of industry which the engineering societies have been calling attention to have long been crying aloud to Heaven for exposure and correction. The public would be interested in knowing from the newspapers, if they would take the trouble to find out, what is really wrong with the building and textile industries, the railroads, the mining of coal. There is no reason why the press should wait for strikes

and for Lockwood Committees. It is praiseworthy that they should report the strikes and the testimony extorted by Mr. Untermeyer, but the facts are there and would be news if brought out quite independently of such accidental or cataclysmic incidents. Crooked practices, whether involving so-called labor leaders or contractors or financial backers, can ordinarily be discovered more easily by newspapers than by grand juries or district attorneys. It should be regarded as a reflection on the press for the public to learn about them first from a legislative inquiry. If the Associated Press would send some of its best trained war correspondents into the coal, steel, railway, and textile territory, or even its cub reporters to the chambers of commerce to study the open shop movement, the community might get a service which is now lacking or very inadequately performed.

THE SCHOOLS

That the schools should have any relation to industrial conflict may seem preposterous, and that they should be included among the points of contact may even arouse resentment. A veteran war correspondent has made an inquiry in Germany, France and England concerning the manner in which the causes, events and results of the World War are taught in the public schools of those countries. He finds that they are not taught at all. There is no agreement as to textbooks or as to what shall be taught; and therefore these children are growing up with little or no information about the history of the past ten years, no impressions about the most important events in all recorded history, except what they get from their parents, at any rate, no instruction from those who are charged with the special task of teaching them. This extraordinary gap in

the preparation of European children is matched by an almost equally serious and perhaps equally unavoidable omission in our own schools. The World War presents little difficulty to our textbook writers and teachers; but the industrial conflict, the struggle for industrial democracy, we have not yet so much as begun to conceive as a suitable subject of instruction. We allow our children to get their preparation for industrial life from their parents and playmates, just as the Europeans are allowing theirs to get their only preparation for national and international citizenship from the same sources. There are many things which might be done to fill this gap. Social economics can be taught non-controversially as well as civics. There are many aspects of industrial organization which do not arouse antagonisms, and these at least could be taught. The field of industrial conflict could be narrowed by presenting those subjects to which exception is not likely to be taken. Not in the hour of conflict, but when it can be prevented by rational instruction in the principles of social economics, the schools may advantageously be brought more directly into relation with the general subject of industrial conflict, its causes, its manifestations, its remedies, its prevention.

PRIVATE CITIZENS

American experience richly illustrates the important rôle that individual citizens may play in preventing, mitigating, adjusting, or unfortunately in precipitating and aggravating, industrial conflict. Obviously, therefore,

everything that can be done to increase the number of individuals in every occupation who have some understanding of underlying industrial facts, and of the facts which influence social behavior, will have its bearing in the moment of crisis. Again the inference is clear that disinterested expert inquiry and the dissemination of its results are the prime essentials.

PUBLIC OPINION

The community is more than its various elements separately analyzed. It is a living unit. Its public opinion is not the arithmetical sum of the contributions made by press, church, courts and other organs of public opinion. There is an intangible spiritual factor, a *genius loci*, struggling perhaps, as the ancients believed, against adverse or alien spirits for the well-being of the people. If the intangible public spirit of the community is really benignant, tolerant, socially generous, this will not be by accident. It will be the direct result of community thinking, community studies, mutual correction of various partial views, growth in the special virtues which distinguish a community from an unassimilated aggregation of human beings. If the community is to have a helpful relation to industrial conflict, it will be because its local government, courts, press, churches, civic bodies, trade unions, homes, and individual citizens are learning as they go along what conflict means, its origins and its costs, the means of control and prevention. Our facilities for getting such knowledge are meager.

The State and Industrial Conflict

By W. JETT LAUCK

Formerly Secretary of the National War Labor Board

IT is essential that there should be definite and unprecedented action by the state in connection with industrial warfare. This action should not be prohibitive or coercive, but remedial and preventative. There should be no anti-strike legislation, but measures should be adopted under which strikes will not occur.

The state must lay down the conditions under which industry shall function. At the present time, there are, in this country, no accepted principles for the guidance or regulation of industrial relations. The public, with the exception of some fundamental guarantees, such as the right of a wage-earner to strike, to work for whom he pleases, and for an employer to enjoy property protection and to employ whomsoever he pleases, has not established any course of procedure for the guidance of employers and employees. Capital and labor have been left to themselves—to agree as to conditions and relations, or to fight it out.

It has been assumed that the two parties to the labor question could agree, or work out their own basis of procedure. This assumption, however, has been found to be unsound. There has been no agreement, but, on the contrary, more extensive and bitter conflict. The stage has now been reached where there is no hope of agreement. The public must intervene, and, by legislative action, lay down the rights of labor, the rights of capital, and the predominant rights of the public, and establish the machinery for the interpretation and adjudication of these rights. A Magna Carta for industry must be written and sanctioned, in accordance

with our democratic standards and ideals.

PRINCIPLES AND MACHINERY

Principles are of primary significance. Machinery, or agencies for the settlement of industrial disputes, are of secondary importance. The difficulty has been that in state intervention in industrial conflict in the past, adjustment machinery has been considered all-important and no attention has been given to principles, or to an industrial code, or bill of rights for capital and labor.

This tendency is well illustrated by the two most noteworthy agencies which have recently been created for the adjustment of labor controversies—the United States Railroad Labor Board and the Kansas Court of Industrial Relations. Neither the rights of capital nor labor, in submitting to those tribunals, are known. It all depends on the tribunal or its personnel. There should in each case be a code of principles mandatory upon each agency, setting forth the attitude of the public as to the fundamental rights and privileges of capital and labor, which either party to a controversy could invoke. When an employer or a wage-earner, under these conditions, was summoned before agencies such as the Kansas Court of Industrial Relations or the United States Railroad Labor Board, he would know what his rights were and could expect any controversy to be adjusted on the basis of these rights or principles. As it is now, since labor and capital have been unable to agree as to fundamental rights and principles, and since the public has failed to give

expression to any code, industrial conflict inevitably results with great loss to the public and to the participants, and even when agencies are created for the orderly adjustment of disputes, no permanent progress towards industrial peace is made, because no lasting sanction to any principle results. It is manifestly the duty of the public to sanction a bill of rights, in conformity with our democratic institutions and ideals, for the guidance of industrial relations and conditions, and for the direction of all public bodies charged with the responsibility of adjusting labor disputes.

A NECESSARY SUPPLEMENT TO POLITICAL DEMOCRACY

It has required more than a century for the principles and forms of political democracy, which received their great impetus from the French Revolution, to find acceptance among the nations of Northern and Western Europe. More striking than this slow development, however, is the fact that now, at the very culmination of the movement, it is generally accepted by enlightened opinion in all of our leading industrial and commercial nations, that the political democracy, for which we have so long fought and struggled, will be a failure unless it is supplemented by sound measures for the attainment of industrial democracy.

This consensus of opinion may be perhaps more or less unconscious and uncrystallized at present, but it is none the less apparent. It concedes that as the result of a long struggle, equality in political activity and in personal and civil liberty has been secured. It realizes that the World War had for its object the destruction of autocracy and privilege in their last stand against democratic political control. On the other hand, it is shown that, along with

the evolution of political democracy, has proceeded our wonderful industrial development. Its main characteristic has been the growth of large scale production. By the bringing together of all the elements entering into the manufacture of finished products, and by the utilization of new inventions and mechanical genius, economies have been secured which have made possible the production of commodities in great quantities at low costs. The necessary direction of large scale production has been secured, however, by the creation of artificial legal personages, or, in other words, by industrial corporations, in which have gradually become centered on a national or international scale, the control of basic industries employing thousands of men and women engaged in the production of commodities essential to the public well-being.

The point has now been reached, it is claimed, at which these industrial corporations must be subordinated to democratic, political institutions. Unless we can have democracy in industry and democratic control of industry, our political institutions which have been developed with so much bloodshed and suffering will be futile and ineffective. The significance of the present-day unrest and turmoil whether in industrial warfare or social agitation may therefore be said to arise from the fact that the close of the World War marks the beginning of a new conception of democracy.

POLICIES WHICH ARE ADVOCATED

With the general purpose in mind of bringing our industrial institutions into harmonious relations with the fundamental principles of political democracy, several comprehensive programs have been put forward. Some of these are extremely radical, others liberal and still others conservative. These

programs may be briefly classified as follows:

1. *Maintenance with Modifications of the Present Dominance of Capital in Industry.*—

This point of view represents an effort on the part of the existing order to get into touch with the new order by yielding only what may be termed the minimum concessions. It is illustrated by the plans for railway reorganization put forward in 1920 by the United States Chamber of Commerce. They included union recognition, joint boards composed equally of employers and employees for the adjustment of differences between the working forces and the management, labor representation on the boards of directors of Regional Railway Corporations, and the regulation by the government of railway corporation finance and security issues. This plan may be described as public control of corporate activities in the public interest, joint labor and capital control of industrial conditions and relations under public supervision, and the continuance under these conditions of industry by capital with minority labor representation in the directing forces. This plan, however, concedes a very distinct modification of the previous dominance of capital in industry as can be readily seen.

2. *The Dominance of Labor.*—

This plan received its extreme application, as is well known, in Russia. It is also being urged in a modified way in Great Britain in the form of guild socialism, as a method for socializing industry by which industries would be controlled by labor under the general supervision of the state as an arbitrator. The same reasons hold against it as are now directed against the dominance of capital on the ground that neither an autocracy of capital nor of labor is wise or desirable.

3. *Joint Control by Labor and Management.*—

This scheme for socialization of industry practically makes the state or government the capitalist by providing for government purchase of industrial enterprises which are then to be operated for the benefit of labor, management and the public, by distinct corporations, the directors of which are to be representative of employees, managers and the public, as in the case of the Plumb Plan for railway nationalization in this country, or operation by a joint board of directors composed of labor and management, as recommended by the British railway employees after the War, or by the Miners' Federation of Great Britain before the Sankey Commission for the consideration of measures for the nationalization of the coal industry. The criticism which is made against these proposals is that in actual practice there is no real distinction between industrial managers and other forms of mental or physical labor employed in industry, and that these programs, therefore, practically advocate a socialization of industry and its operation by a labor autocracy.

4. *State or Municipal Ownership and Operation.*—

This proposal obviously provides for the acquisition and direct operation of industry by the state. It is advocated in connection with street railways and other public utilities in this country. As regards public utilities at least this policy is acknowledged to be theoretically sound, but, practically, very difficult in the United States because our experience has shown that it so often leads to the improper use of political power upon the management of public utilities.

5. *The Predominance of the Public.*—

Proposals along these lines have been put forward in this country in connec-

tion with the socialization of public utilities. They provide for the acquisition of corporation properties by the state or government, but their operation by a distinct corporation on the board of directors of which the public would have a majority free from political influence or affiliations and both labor and capital would have minority representation.

THE ORIGIN OF THESE CONSTRUCTIVE PROGRAMS

These constructive programs have been brought about in this country in recent years by the strongly developed tendency of industry to dominate our democratic institutions. A conservative movement towards reform was being inaugurated prior to the outbreak of the War. As the result of the promises of the war period, a most extraordinary impetus was given to this movement. The minds of men were also opened to the significance of the old industrial conditions and they have evidently determined that they shall not be perpetuated. Out of the War has come the idea, which is widely accepted, that industry must serve the common good. The fundamental rights of capital and labor, it is claimed, must be guaranteed and protected, but there must be no autocracy of either or both in industry. Industry, in other words, must be democratized—the public or popular interest must be made paramount.

THE PRESENT MOVEMENT

In general, it is aimed to bring about this ideal in two ways. In the first place, the general direction of industry must be made subordinate to the fundamental principles and ideals of democracy. This is what may be termed the larger aspect of the labor problem. It is planned to accomplish it by political action. In a conservative way, it contemplates the proper

regulation of the promoting and financing of industrial corporations so that their earnings may become evident and the public may enjoy an equitable participation in these earnings through lower prices of commodities or higher wages. It aims to abolish all monopoly privileges and special legislative favors, as well as arbitrary prices, and to prevent the conduct of industry along lines opposed to human welfare, such as the employment of women and children.

THE ESTABLISHMENT OF AN INDUSTRIAL BILL OF RIGHTS

In the second place, it is evident that our political constitution will have to be supplemented by legislative action in establishing an industrial code, or a bill of industrial rights. This means the incorporation into our constitution of certain standards and guarantees to labor and capital, under which human and property rights will be protected, and the public interest subserved. This is the aspect of industrial democracy with which we are at present immediately and practically concerned. We must now work out as a basis of procedure a series of principles which will set forth the fundamental rights and standards of employees and employers in their relations with each other and the public, and agree upon agencies for the interpretation and administration of these principles so that industrial warfare may be prevented and stability of production maintained.

Certain fundamental principles were agreed upon by employers and employees and officially proclaimed as the government policy by President Wilson during the War in the form of the constitution of the National War Labor Board. Since the armistice, however, the only effort which has been put forward in this connection has been the so-called Kenyon Bill for the regulation of the coal mining industry. The code

contained therein, although not comprehensive, might well be used by Congress as the basis for a beginning and applied to all firms and corporations engaged in interstate commerce. As an example of what might be done, it is set forth in part below, as follows:

1. Human standards should be the constraining influence in fixing the wages and working conditions of mine workers.

2. Capital prudently and honestly invested in the coal industry should have an adequate return.

3. The right of operators and miners to organize is recognized and affirmed. This right shall not be denied, abridged or interfered with in any manner whatsoever, nor shall coercive measures of any kind be used by employers or employees, or by their agents or representatives, to compel or to induce employers or employees to exercise or to refrain from exercising this right.

4. The right of operators and of miners to bargain collectively through representatives of their own choosing is recognized and affirmed.

5. The miners who are not members of a union have the right to work without being harassed by fellow workmen who may belong to unions. The men who belong to a union have the right to work without being harassed by operators. The organizations have a right to go into non-union fields and by peaceable methods try to persuade men to join the unions, but they have no right to try to induce employees to violate contracts which they have entered into with their employers, and the operators, on the other hand, have the right by peaceable means to try to persuade men to refrain from joining the unions.

6. The right of every unskilled common laborer to earn a living wage sufficient to maintain a normal family in health and reasonable comfort, and to afford an opportunity for savings against unemployment, old age, and other contingencies is hereby declared and affirmed. Above this basic wage for unskilled workers, differentials in rates of pay for other mine workers shall be established for skill, experience, hazards of employment and productive efficiency.

7. The right of women to engage in indus-

trial occupations is recognized and affirmed; their rates of pay shall be the same as those of male workers for the same or equivalent service performed; they shall be accorded all the rights and guarantees granted to male workers and the conditions of their employment shall surround them with every safeguard of their health and strength and guarantee them the full measure of protection which is the debt of society to mothers and to potential mothers.

8. Children under the age of sixteen years shall not be employed in the mines.

9. Six days shall be the standard work week in the industry with one day's rest in seven. The standard workday shall not exceed eight hours a day.

10. Punitive overtime shall be paid for hours worked each day in excess of the standard workday.

THE EXISTING SITUATION

The rights and privileges of capital have long been established and recognized. In their relation to democratic institutions they have, during recent years, been modified, and, although fundamentally they must be conserved in a just and reasonable way, they must be further abridged and subordinated to sound democratic ideals.

The rights of labor have not as yet become crystallized and formally sanctioned except in a very elementary way. They consist, at present, largely of customs and precedents established in certain basic industries, of standards sanctioned by enlightened public opinion, and of pronouncements by publicists, arbitration boards, political parties, the churches, and various industrial and social conferences and organizations.

So far as industrial relations and conditions are concerned, industry is without a constitution or a bill of rights. To a certain extent it has adjustment boards or courts, either temporary or permanent, but there are no rights which an employer or employee can invoke when he submits to judicial process, and there are no definite principles

established for the guidance of the members of the adjustment agencies themselves.

The public interest is paramount. Enlightened public opinion is practically unanimous as to what principles should be established for the guidance of industrial relations and conditions. Our experience since the War has demonstrated that labor and capital cannot be expected to agree upon an industrial code, and, even were this possible, the broader public interest

would not probably receive proper consideration. The conclusion is therefore irresistible that it would be the part of genuine democratic and industrial statesmanship to establish at once, by legislative action, an industrial code and the machinery for its interpretation and application. Only by this method can industrial conflict be minimized and a real movement towards the attainment of a sound and permanent political and industrial democracy inaugurated.

The Trade Agreement Between Employers and Employees

By JOHN P. FREY

Editor, International Molders' Journal

ARE agreements covering the terms of employment and conditions of labor which are entered into between employers and organized workmen, advantageous to the public, to the employer and to the wage-earner? An adequate reply to these questions would be advantageous to all, because the public at times fears that trade agreements of the character under consideration may result in an imposition of unjust prices. Some employers believe that their business could not be successfully conducted if such agreements were in existence, and there are wage-earners, who, having listened to the arguments of some schools of economic, social and industrial theory, believe that such agreements are disadvantageous to them, because, covering definite periods of time as they do, they prevent the workers from taking advantage of the fluctuations of supply and demand.

While joint conferences between employers and organized workmen, and the trade agreements which result, have been studied to some extent, the understanding and viewpoint of the large number towards the subject supplies quite convincing evidence that the subject is not thoroughly understood. This is partly due to the fact that a large number have been unable to grasp the simple truth that these conferences and agreements are nothing more nor less than the gradual application in industry of those same principles and methods of democracy which we all have adopted as citizens for regulating our civil relationships.

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We regulate our relations internationally through treaties, which not only determine the obligations and the rules which the nations accept as the basis for their friendly relationship, but in addition, the rights and privileges of their respective citizens when coming into contact with each other. It is quite proper for us to ask whether the application and the operation of the principles and practices of democracy as we understand them in America, are more advantageous to the people than some more autocratic form of government.

We are compelled to recognize that our democratic institutions have so far failed to establish perfection; that the laws enacted are not always wise or advantageous to the public. The administration of the law is sometimes unsatisfactory, but do these facts weaken our faith in democracy or prompt us to seek some more autocratic form of legislation and administration?

In considering the question of trade agreements it must be borne in mind that the conditions which made trade agreements a possibility scarcely existed in America until after the Civil War. Previously our industries had been carried on upon a small scale. Production was in the hands of individuals instead of stock companies or corporations. The employer was personally acquainted with all of his employees. The majority of them were residents of the same community as the employer. Their ancestors lay buried in the same church yards, and though

industrial injustice existed during this period as it has since, the conditions which favored the development of trade agreements did not exist as they do at the present time.

There is one fact connected with our industries over which there is no difference of opinion. That industrial problems created through the relationship existing between employer and employee cause serious conflicts at times is, unfortunately, a fact. The problem is not confined to our country or to the western hemisphere, but exists throughout the civilized world. Since the War, the world has witnessed a revolution in Russia which is the outcome of the effort to apply new theories to the relationship of men to each other and to their government; an effort due as much to the industrial as to any other problem which had arisen in that country. Realizing the seriousness of the problem, and understanding some of its most prominent implications, various types of men with different solutions, have endeavored to supply a method by which the problem could be solved. We have witnessed the results of the method which was applied in Russia. In Australia and New Zealand the governments established compulsory arbitration through parliamentary decree, but, instead of solving the problem, it was only rendered more difficult of adjustment. In our own country, Kansas has made striking a crime, and, through vagrancy laws has made labor compulsory, and yet strikes involving more workmen than ever before have occurred since the industrial court law was enacted by that state.

TALKING IT OUT

When men were struggling to secure their liberties in Europe they tried two methods, "talking it out" and "fighting it out." As free speech was restricted and as there was no free

public press, most of the major problems of the people were solved by the latter method. The result of these conflicts was never as satisfactory as though the people had been able to confer through representatives and work out the solution of their problems through evolutionary methods. Taken from one angle there is a basic similarity between the efforts which men have made to establish their religious, their political, and their industrial liberty. No one today questions the individual's right to religious or political liberty and equality of rights, but, unfortunately, this same recognition is not extended to the relationship of employer and employee. So that in industry the period of "fighting it out" has not yet developed to that stage where all men recognize not only the advantage but the justice of talking it over, and "talking it out."

When trade agreements were first entered into it was because many had become wearied of endeavoring to "fight it out." Some had recognized the futility of that method, because wherever an industrial problem was decided by the gage of battle, the victors, with the smart of the conflict still stinging, and the elation of victory still influencing them, proved unable to deal wisely or justly with the vanquished. The spirit of retaliation invariably manifested itself. Strikes proved costly. Employers suffered heavy financial losses, and instead of devoting their energies to the upbuilding of their business they were compelled to apply all of their energies in an effort to defeat the strikers. Defeated strikers frequently lost their homes, and became wanderers from state to state. The loss of a strike was also frequently followed by the loss of a local union, to say nothing of the severe suffering caused to the strikers' wives and children. The winning of a strike too often left the em-

ployer sullen and vindictive, biding his time to retaliate. Where the employer combined with other employers so that their organized strength would be greater than that of the workers, the only result, in the passage of time, was more costly conflicts and larger numbers of men involved.

The governmental and legislative efforts which were made to solve the larger problems and adjust the smaller ones failed in their purpose; failed as completely as the spirit and the principles of Christianity failed to prevent the recent frightful war. So far, the only method which has tended greatly to reduce industrial conflicts, minimize strife, create a better understanding and indicate the methods by which problems of relationship between employer and employee can be solved, has been the method of joint conference and joint agreement. That this method if generally applied would solve the industrial problem would be expecting too much, because the problem is a changing one, due to the fact that our industries are undergoing rapid changes, and will undergo such changes for years to come. To expect that such agreements would wholly eliminate strife in the industrial world is to anticipate the humanly impossible, but treaties between nations, when based upon mutual justice, unquestionably limit wars and the preparation for wars.

The conferences between employers and organized employees, and the resultant agreements which may be compared to treaties, provide the medium through which many of their problems are adjusted, and what is fully as important, teach those who participate in them that it is possible to work out a solution of their problems without recourse to arbitrary force. If these joint conferences accomplished nothing more than the meeting and the exchange of viewpoint, they would be

of much value, because, as modern industry is conducted, it is a physical impossibility for the employer, the president, the general manager, the board of directors, and the stockholders to become personally acquainted with the employees; to know what is passing through their minds, or to understand their problems.

Equally true is the fact that the employees, having lost personal contact with their employer, have little if any understanding of his problems. But where through conferences the representatives of employers and employees gather around the conference table they not only become acquainted with each other, and discover for themselves that human nature, whether at the work bench or in the counting room, is very much the same, but they learn also the important truth that the majority of men desire to deal justly with their fellowmen. The feelings of doubt and even suspicion which existed are gradually eliminated, and in their place a degree of mutual confidence develops.

AN EXAMPLE

These facts are well illustrated by the relationship which has existed between the Stove Founders' National Defence Association and the International Molders' Union for the past thirty-one years. In time passed the stove foundrymen and the molders looked upon each other as natural enemies against whom it was necessary to be on continual guard. For years the industry was in a turmoil because of continual conflict. When trade conditions favored the molders, their demands upon the foundrymen were often as unreasonable as those which the foundrymen made upon their molders when trade was dull, molders were idle, and landlords, butchers and grocers were clamoring for the payment of their

bills. As a result of these conflicts some foundrymen lost a lifetime's business, and the sheriff's flag was hung from the door. Local unions were swept out of existence, and active members of the union blacklisted so effectively that they were compelled to seek employment outside of their trade. As the years passed each side organized and prepared for still more extended conflicts, each governed by the conviction that the only solution to their problem was to "fight it out." At last wiser men assumed the helm, and eventually in 1891 an agreement was entered into between the two associations. Many foundrymen and many molders were unfriendly to the idea, because each side had been taught and trained to view the other as an opponent. As time passed, it was found that through annual conferences and their resulting agreements, mutually advantageous changes could be established. Confidence replaced the suspicion which had previously existed, and finally it was found possible to agree jointly, not only upon the wage rate and the hours of labor, but upon the shop rules and regulations as well.

During the thirty-one years in which these conferences and agreements have existed great changes have taken place in the industry. The machine came in which, to some extent, displaced the highly skilled hand labor previously required. Yet every major as well as every minor problem which has arisen in the industry has been adjusted without the loss of time or the animosity created through strikes or lockouts. What is true of this industry is true of many others. The reason for their success is that employer and employee applied the same methods and principles in the regulation of their relationship that they had previously applied to their civil relationship as citizens.

SELF-DETERMINATION IN INDUSTRY

Governmental assistance may be invaluable at times in helping to solve the human side of industrial problems, but, no matter how well intentioned a government, it cannot do for industry what those in industry can do for themselves. For many years molders endeavored to secure legislation establishing proper sanitary and safety conditions in foundries. Their experience was similar to that of other workmen seeking similar legislation. Some friendly legislator introduced a bill. It was referred to a committee. Committee hearings followed. At one side of the committee room would be a number of prominent foundrymen flanked by their attorneys; on the other, representatives of the union. The committee composed mostly of lawyers and farmers listened more or less disinterestedly to what was being said, and perhaps enjoyed the glances and occasional sarcasm between the opposing parties, but no practical results were achieved. With the creation of industrial commissions in some of the states there came a marked change. The commission would ask the Foundrymen's Association to suggest the names of a number of their most competent representatives. The same procedure was followed with the molders. The commission selected a small committee from each side, and requested them to undertake the formulation of a Foundry Code. They were asked to legislate for themselves, the reason being that they knew more about the foundry industry than outsiders could know. Public hearings would be held in different foundry centers in the state, and as the members of the committee became better acquainted with each other they discovered that both sides were desirous of seeing justice done. Eventually foundry codes were agreed upon and endorsed, after careful examination,

by the State Industrial Commission. These codes then became as much a part of the law of the state as the statutes enacted by the legislature. This method of creating a foundry code has been duplicated in a number of states, not only for the foundry industry, but for a number of other industries as well, thereby proving that the representatives of employers and employees can get together and legislate for themselves more successfully, wisely and justly than can a state legislature.

This fact holds equally true in the adjustment of the relationship which exists between employer and employee. The principle involved is the same as that upon which the institutions of our country have been founded. The methods are very similar; in fact, in the agreement between the Stove Founders' National Defense Association and the International Molders' Union of North America, the legislative, administrative, and judicial features have become well developed.

The psychology is equally sound. If the employer feels that his position is so secure that he can compel his em-

ployees to accept any terms which are satisfactory to him, or if he believes that he can secure legislation which will enable him to carry out his desires, he will not be so open-minded in the recognition of the right of his employees to a voice in the determination of terms of employment and conditions of labor. If the wage-earners, on the other hand, believed that they were so entrenched in their position as to be able to compel employers to grant anything they desired, or that their political power was such that they could secure the enactment of any legislative measure which they favored, it would be a difficult, if not an impossible thing, for private industry to endure.

In either case "fighting it out" would be the only method which would be left to one side or the other, and "fighting it out" would not solve any of the problems. Democracy in the industrial relationship of employer and employee is as essential as democracy in their relationship as citizens. The joint conference is the only method so far evolved which permits this most necessary form of democracy to operate.

Collective Agreements in the Men's Clothing Industry

By W. E. HOTCHKISS

Director, National Industrial Federation of Clothing Manufacturers

REGARD to the industrial setting of the clothing industry and its history will help in understanding what has happened to the industry in the field of industrial relations. In the year 1910, one of the outbursts that had been more or less common in one part or another of the industry, developed in Chicago. It proved to be much more extensive and persistent than previous outbursts had been. Some of the workers were represented by the United Garment Workers and the Chicago Federation of Labor; and the Women's Trade Union League took an active part in the controversy. At the close of the struggle, Hart Schaffner & Marx, the largest house in the industry, decided to recognize the principle of representation and group action among their workers, and accordingly laid out their policy to deal with employees collectively through their chosen representatives. The evolution of trade agreements in that house and in the clothing industry since that time has paralleled the development of organization among the workers.

In connection with the arrangement at Hart Schaffner & Marx, Mr. Sidney Hillman came to the front as a leader of the workers. Finding the United Garment Workers an unsatisfactory instrument for their activities, Mr. Hillman and his followers throughout the industry revolted from the organization in 1914 and ultimately carried a large percentage of men's clothing workers with them. This was the beginning of the Amalgamated Clothing Workers of America, which

has since expanded and come to have working relations with the bulk of men's clothing manufacturers in the United States and Canada.

The fact that relations between employer and employee developed as they did at Hart Schaffner & Marx, and that these developments came to have such a large significance throughout the clothing industry, is doubtless due in large measure to the personality of a number of individuals who were closely associated with the arrangement entered into. The personality of Mr. Joseph Schaffner, the head of the firm, the personality of Mr. Hillman, the personality of Dr. Earl Dean Howard, the man selected to represent the house and to cooperate with Mr. Hillman in reaching adjustment, and above all the personality of Mr. John E. Williams, first chairman of the Board of Arbitration, all contributed largely to the success achieved. The developments at Hart Schaffner & Marx from 1910 to 1919 proceeded from efforts to solve problems as they arose. Without the happy combination of personalities, it is doubtful whether the solutions reached would have brought the experiment to a point from which its extension to other portions of the industry would have been entertained.

During the period ending in 1919, the balance of the Chicago clothing industry was strongly antagonistic to the arrangement operating in Hart Schaffner & Marx. For a considerable portion of that time there were either intermittent strikes in a large part of the industry or "strikes in

detail" which went far towards paralyzing production in individual houses. In the meantime, the organization of the workers in those houses had proceeded to such an extent that the Amalgamated Clothing Workers practically controlled the labor situation. The Chicago manufacturers in 1919 had come to feel that they had lost a battle, and it was largely in that spirit that they entered into an agreement with the union.

Henry Sonneborn & Company of Baltimore was the first large house after Hart Schaffner & Marx to enter into an agreement with the union. Strouse & Brothers, now out of business, later followed the Sonneborn lead. One fair-sized house with headquarters in Baltimore, manufacturing part of its product in Baltimore and part in outlying towns, has continued to operate non-union shops. Some of the smaller houses in Baltimore have fluctuated between Amalgamated and non-Amalgamated operation. A number of houses have operated with United Garment Workers' cutters; at least, one plant has had United Garment Workers' cutters with part of its shops United Garment Workers and part Amalgamated. Conditions in those Baltimore houses that were dealing with the Amalgamated prior to 1919 were quite unlike the conditions at Hart Schaffner & Marx, and there was little similarity between the operation of agreements in the two centers.

In Rochester the situation was developed quite differently from that in Chicago. There was danger of a conflict in 1919, but agreement was voluntarily entered into at that time, not only in the hope of avoiding conflict, but with the promise that stability and good will might be secured, and still leave with the employers a large measure of the freedom they previously

enjoyed. Mr. Samuel Weill, president of The Stein-Bloch Company, was largely instrumental in guiding the policy of the market in this direction. One fair-sized house in Rochester stood aloof from this movement and entered into a vigorous conflict with the Amalgamated. Some of the legal phases of this conflict are still pending.

With the exception of a few shops operating in the outlying districts, substantially all of the product of the New York market was being made by Amalgamated workers in 1919. One of the recurrent conflicts that characterizes that market had just come to a close at the time the Rochester and Chicago markets were entering into agreement with the Amalgamated. An effort was made to bring all the different types of manufacturers into a single organization authorized to speak for the market. A general wage adjustment was put in force and provision was made for the creation of impartial machinery roughly along the Hart Schaffner & Marx lines. The conditions in the market, however, as above described, were not conducive to law and order during the period of expansion any more than they have proved to be during the subsequent period of depression. Neither the manufacturers' association nor the union was strong enough to prevent direct action on the part of individuals and groups.

By the time the post-war expansion of business had reached its crest in 1919, agreements or other working arrangements with the Amalgamated Clothing Workers of America were operating throughout the industry, with the exception of a few houses in Rochester, Baltimore, Philadelphia, Cleveland, Cincinnati, and perhaps one or two other places, whose aggregate product represented but a small percentage of the total output of men's

clothing. Some of these non-Amalgamated houses were in agreement with the remnants of the United Garment Workers; some were using United Garment cutters and operating scattered non-union shops; some were non-union throughout. Beginning with 1919, however, union conditions in the clothing industry meant substantially conditions resulting from agreements or understandings with the Amalgamated Clothing Workers of America. While the United Garment Workers are still represented in the industry, they have little influence in determining conditions.

Nothing of particular significance in connection with the study of law and order in the clothing industry has occurred in the smaller markets. The occurrences in the New York market during the years 1919-20, ending with open conflict lasting for several months after December, 1920, went to prove that the New York market is a law unto itself and cannot, as the industry there is at present constituted, be expected to work out its industrial relations problem on lines parallel to those followed in markets in which large and responsible business units predominate. The study of clothing agreements, therefore, refers substantially to agreements in Chicago, Rochester and Baltimore.

Agreements more or less similar in form have now been in force in the most important houses of these markets for a minimum period of three years. In large measure the more recent of these agreements were directly or indirectly the result of power that came to the workers during the war and post-war expansion in business. The industry has now carried the agreements to the end of the period of expansion and through an acute slump followed by prolonged depres-

sion. In the midst of this depression the agreements have just been renewed in the three most stable markets for a further period of three years, terminable, however, except in three houses, after one year in case of disagreement on wages. There is at this moment no likelihood that conditions will arise which will result in terminating the agreements before their expiration in 1925.

The renewal of trade agreements after a period in which they have been more or less constantly subjected to great strain through fluctuations in business, does not mean that the more stable portion of the men's clothing industry finds these agreements completely satisfactory. They do, however, constitute a more promising policy than anything else in sight. The fact that they have proceeded from such a variety of circumstances and that a tolerable measure of peace has been maintained under varied conditions, indicates that principles are involved which go deeper than the mere chance handling of particular situations.

INDUSTRIAL GOVERNMENT

All agreements in the men's clothing industry conform to what is commonly designated as collective bargaining, but they go further than mere bargaining. The workers have established for themselves the organization they wish to have represent them, and the employers on their part accept that organization and deal with it. The Amalgamated Clothing Workers is an industrial as distinguished from a craft union. From the standpoint of most of the employers this form of organization is preferable to the craft form. Indeed, the greatest difficulties under our agreements have arisen out of the fact that some of the groups within the union have been dominated

by the ideas of craft organization and have tried to operate along craft lines, sometimes in defiance of the general body of the union. The ability to deal with the whole body of the workers through one organization, notwithstanding the centralized power which such an organization implies, has, from the standpoint of management, decided advantages over a less centralized organization.

Collective bargaining may mean much or little according to the practice in the plant or industry in which it occurs. In the clothing industry the bargaining which results in a trade agreement is not alone significant because it fixes wages and working conditions for a period of time; its chief significance lies in determining the principles and the procedure under which problems that arise from day to day shall be adjusted.

Possibly the term collective representation would be more accurate than collective bargaining, in describing the situation in this industry. At any rate, representation is one of the first considerations in making the agreement work. The union is represented in the first instance by the shop chairman and secondly, by the union deputy. The shop chairman, as the term implies, is a worker elected to represent the workers and the union in the shop. The deputy is a union official not employed in the shop, who is called in when the shop chairman and the management cannot adjust their differences. The deputy has appropriate access to subject matter involved in a dispute and may enter the shop accompanied by a representative of management. The agreement puts on him the obligation to transact his business in the shop at appropriate times and in such a way as not to undermine discipline.

Employers likewise act habitually

through designated representatives. In respect to minor adjustments the foreman or superintendent functions. Questions which, because of their scope or failure of adjustment in the shop, go beyond the foreman, are handled for the most part by a labor manager. The smaller houses combine in employing a joint labor manager. Employers are themselves organized into some form of association or federation with a committee to speak for all the employers of the market in matters of concern to more than an individual house. In some cases the association of manufacturers functions from day to day through a paid executive called a director or market labor manager. Finally, the three markets, Chicago, Rochester and Baltimore, are represented by the National Industrial Federation of Clothing Manufacturers, which functions through an executive director. In other words, our arrangement involves collective action on both sides through authorized representatives. Also, the representatives of the parties mutually recognize each other as authorized to deal collectively for their respective principals.

Along with collective action and representation, we have embodied in all of our agreements the principle of continuous arbitration. By continuous arbitration is meant acceptance of the fact that questions are going to arise upon which we cannot agree. We agree, however, once for all, to accept during the period of the agreement the decision of an impartial arbitrator upon concrete questions arising under the agreement upon which, as interested parties, we are unable to agree. Failure to agree under this arrangement, instead of creating a crisis, merely creates a case before the Trade Board, and Trade Board cases are all in a day's work for

both sides. With the recognition of collective action, representation and arbitration, there is no occasion for interruption of business. Agreements, therefore, contain emphatic prohibition of stoppages in production, and provide for the discipline of participants and instigators.

The arrangement here briefly sketched has frequently been referred to as industrial government. This term is sufficiently descriptive, provided its implications are not overdrawn. Both sides are trying to maintain law and order in the clothing industry, and have established certain institutions for accomplishing this result. They are also building up certain precedents and practices which probably tend on the whole to simplify the solution of future problems.

INDUSTRIAL LAW

There has been much public discussion of clothing agreements proceeding from the assumption that we are developing a system of industrial law. I have myself several times publicly expressed this thought. Further experience, however, and more mature reflection, have made me very doubtful whether the results of our practice during the past three years should be considered as the beginnings of a body of constitutional law for the clothing industry. It is significant that in the recent negotiations for renewal of agreements, both sides were in complete accord in trying to discourage the solution of problems on the basis of precedent. There was a strong feeling that we were in danger of getting too much instead of too little law, and showing a tendency to become legalistic and technical. Wherever possible, the agreement is expressed in terms calculated to discourage this tendency, and the prin-

cipal representatives of the two sides are undertaking to emphasize among their associates the necessity of solving problems as they arise instead of conducting litigation dominated by past precedents or the fear of creating new ones.

Running an industry is an intensely human problem. The approach to difficulties must be both human and pragmatic, and unless this viewpoint is kept to the front there is grave danger of building up a body of law that may possess all virtue on paper, but will lack the virtue of actually solving problems. In our effort to give the new agreement a setting that will help to forestall this danger, we have tried to formulate it in a way to put larger responsibilities on the representatives of the parties, and have gone so far as to embody a clause in the agreement mildly restricting the scope of arbitration. Moreover, both sides are pledged to a sincere effort to meet the views of the other and to rely less on the arbitrators than has been done in the past, as well as to get away from a too insistent invoking of precedents as determining factors in settling concrete disputes.

To understand the significance of what is being attempted in the clothing industry, the activities must be studied in their own setting. Little value can attach to a comparison of developments in clothing, farm implements, mercantile establishments and electrical or other industries, with the thought of rating into grades of excellence the various efforts to deal constructively with industrial relations. There are, of course, certain prerequisites of human contact common to all well thought out plans for bringing the factors of production into closer and more effective working relationships.

MANUFACTURERS' ORGANIZATION

Clothing agreements, and the successes and faults of their operation, are mostly the outcome of clothing experience. Some industries and plants are trying to deal with industrial relations along constructive lines before there is an organization of workers strong enough to enforce official relations with the union. Such voluntary efforts, when they proceed from a sincere purpose to apply statesmanship to the relation of employer and employee, represent management at its best and should be commended. The clothing manufacturer did not see the handwriting on his neighbor's wall but on his own. It was not a union operating in some adjacent industry that brought industrial relations in the clothing industry within the scope of a business problem that had to be met.

The more advanced manufacturers congratulated themselves that in moving from the contract shop to their model factories they were rescuing the industry from reproach and putting it in a way of wholesome development. Beyond that there appeared to be no particular occasion to reflect. Employers less well circumstanced probably did not reflect at all. The day to day situations they confronted absorbed whatever energy and mental equipment they had to give.

This was the medium in which, in 1910, representatives of organized workers injected themselves and demanded what such representatives usually demand. The largest house in the industry, searching for a right and wise approach, decided to commit itself unreservedly to coöperation. Other large houses, impressed with the dangers of possible union domination, decided with equal earnestness and with good conscience upon a

policy of resistance. After ten years the policy of resistance gave way, and for three years coöperation is being tried in the industry as it was previously tried on a house basis. Probably most of the thoughtful employers who thus changed their policy still regret the occasion for the change, but they are not wasting their time bewailing the fact that limitations are being placed on the authority they formerly exercised.

In 1919, the employers promptly organized in a way calculated to promote wise counsel. Recognizing that the extension of one union over the whole industry gave a nation-wide aspect to many of the problems, the National Industrial Federation of Clothing Manufacturers was founded. It was the intention that the Federation should have its headquarters in Chicago and operate for the Chicago, New York, Rochester, Baltimore and Boston markets, and it was thought that other markets might secure its services through affiliation with one of the principal markets. The Boston market, however, never qualified for membership, and since the articles under which the Federation was constituted limit its functions to operating agreements with the Amalgamated, the New York market automatically dropped out in December, 1920, when it broke with the union.

Possibly not less significant than the actual operation of agreements in respect to concrete local situations is the fact that different houses in the several markets representing a great variety of conditions and viewpoints, and the markets themselves, have been able to organize effectively for a peaceful purpose and to maintain that purpose through fluctuations in economic conditions well calculated to stir up the latent militancy inherent in all complex industrial situations.

Doubtless some of our experience, both in maintaining our employers' organizations and in trying, at the same time, to deal vigorously and constructively with the organization of workers, has value for other industries. The chief lesson, however, to be learned from the operation of clothing agree-

ments during the last three years is the lesson of dealing with a situation as it exists rather than bemoaning the fact that it is not a different situation, or attempting to deal with it in accordance with preconceived notions as to what such situations in general ought to be.

Employee Representation

By WALTER GORDON MERRITT
Counsel, League for Industrial Rights

MOST conflicts between nations or between classes arise from barriers to understanding. These barriers removed, ideas, like water, seek their level. In the field of industry these barriers must be razed by machinery for systematic contact and common counsel, if conflict is to be avoided.

Millions of our industrial workers are daily brought beneath the same roofs with the owners or managers of business, but barriers of ignorance and language and the lack of proper machinery for contact and intercommunication, foster a mutual state of fear and distrust, with unsound conceptions of each other's problems. The average employer is no philosopher or reconstructionist and knows little of the psychology of the working classes. The average worker knows little of the problems and embarrassments of business. Unless this gulf is bridged and the traffic of ideas resumed, our existing industrial institutions and our constitutional rights of liberty and property can scarcely survive. Conference in industrial relations is part of the price of peace and coöperation.

The latest promise of substantial progress in this direction springs from the new intra-factory organizations of employees operating under a definite form of industrial government. As a means of adjusting differences and promoting coöperation, common purpose and a broader outlook, as a conduit for the interchange of ideas and viewpoints, this modern type of works council, usually operating independently of the unions, has in a few years made a record of achievement which is unsurpassed. For the light and en-

couragement it has brought us we are indebted to those employers who had the vision and courage to embark while others faltered.

Nearly all plans for works councils provide a definite constitution under which the employees of a single factory by secret ballot elect representatives to act for them in conference with the management. Of first importance is the fact that elections are held in the factory on company's time so that all employees will participate. The simplest and most successful arrangement is where the employee representatives serve on a joint committee with an equal number of representatives of the management. If the concern is a large one, joint committees are elected in each department or division, to dispose of localized questions with a general committee similarly constituted, to consider matters of general interest, and to hear appeals from the departmental or divisional committees. A decision cannot be reached without agreement. In some cases the plan provides for arbitration in the event of ultimate disagreement and in some it does not. In either event, success lies in substituting conference for dictation. Disagreement and arbitration seldom figure.

Another plan which captures the imagination by the term "Industrial Democracy" and by imitation of our republican form of government, establishes a House of Representatives elected by the rank and file, a Senate of foremen and a Cabinet of the chief executives. Concurrence by the three bodies is necessary for action. The chief defect of this plan is encourage-

ment of separate meetings by divergent interests instead of bringing all parties to the same table. The House of Representatives is likely to commit itself without hearing the other side. The Cabinet may be forced to use its veto with unpleasant results.

EFFECT OF THE WORLD WAR ON WORKS COUNCILS

The World War led us to expect profound changes in our industrial institutions. People predicted a new status for labor. Japanese observers went so far as to predict the end of the occidental type of civilization. Labor unions strengthened and entered into the councils of the nation as never before. "We stand today," said one report, "at one of those definite turning points in human history where a generation of men has it in its power, by the exercise of faith and wisdom, by facing the problems of the moment without passion and without shrinking, to determine the course of the future for many years."

A thrill of new interest sprang from this expectancy of great change. Many people began to view this decade in the words of Emerson:

If there is any period one would desire to be born in, is it not the age of revolution; where the old and the new stand side by side and admit of being compared; when the energies of all men are searched by fear and hope; when the historic glories of the past can be compensated by the rich possibilities of the new era. This time, like all times, is a very good one, if we but know what to do with it.

Then followed the reaction, so obvious to any observer, and a current of feeling that the visions of greater equality and democracy in industry were not to be realized promptly. When business activity subsided the employer had less to fear from labor and forgot the prod which drove so

many to try new and interesting experiments in labor management. Some who, a few years ago, expected an overthrow of existing institutions, complacently feel the present reaction is convincing proof that existing institutions are immutable. The very public which had condoned the evils of unionism became the union's censor. Courts and legislatures reacted to the change in popular sentiment. Membership in labor unions greatly decreased. The country witnessed an open shop crusade, in most respects spontaneous and uncoördinated, which was truly phenomenal.

How did this affect the works councils movement in the United States? Has it gone forward or backward, or stood still? Has it survived the unsettled conditions and violent fluctuations concentrated into these few years—years during which the pendulum swung from extreme progressivism back to the side of reaction? These are questions to which answers have been sought by ascertaining approximately how many concerns have experimented with works councils, and their present attitude.

The answers come back in unequivocal terms. Conference in industrial relations has come to stay. It found its real inspiration in war-exaltation and is surviving post-war reaction. Declining business has retarded its rapid spread into new plants but has had little effect on its intrenchment where already adopted. There have been fewer converts since 1920, but the faith of the converted is ever strengthening. The cumulative experience of concerns which *voluntarily* installed the Joint Committee Plan, bears almost uniform testimony to its advantages,¹ while the experience of those employers who were *compelled* so to do by govern-

¹ A few plans of the Industrial Democracy type failed.

ment agencies, is of the opposite character. If the employer is converted and proceeds with moderate social sense, the workers will follow his leadership in this direction with beneficial results to all, unless, perchance, there is outside opposition from trade unions.

GROWTH OF EMPLOYEE REPRESENTATION IN THE UNITED STATES

Generally speaking, the employee representation movement in this country—and probably throughout the entire civilized world—has developed during the last four years. The report of the Federal Industrial Commission in 1916 referred to the plan instituted by the Colorado Fuel & Iron Company in 1915 as a "new departure in the United States." As this example found few, if any, imitators in the following three years, the growth of the movement started almost from nothing about the close of 1917.

During 1918 over one hundred such plans² were inaugurated under government pressure by the National War Labor Board and the Ship Building Labor Adjustment Board, but most of these were abandoned because installed under pressure before the management acquired faith and understanding. Outside of these governmental ventures, about seven hundred of such plans, now still in existence, were established voluntarily in the three years following the close of 1917. Since 1920 only about twenty or twenty-five new plans have been installed.

These seven hundred and twenty-five plans, more or less, which are now in operation, represent about four hundred different concerns, because some companies operating scattered plants are listed as maintaining several plans. Included in the seven hundred

²Exclusive of Loyal Legion of Loggers and Lumbermen.

and twenty-five are about one hundred and sixty lumber companies in the Northwest operating under the Loyal Legion of Loggers and Lumbermen, and about thirty-five bituminous coal companies until recently operating under the Maryland Agreement. The total number of employees working under these plans in normal times is estimated to be between 750,000 and 1,000,000, or, approximately, one-tenth of the industrial employees in the United States. Those employed in the factories alone approach in number the union men in good standing in the same industries, although union membership represents the organizing effort of more than a quarter of a century.

The further extension of this plan and its benefits of common counsel depend largely on the action of a comparatively small group of large employers. One per cent, or about 2,900 concerns, employ over one-half of the industrial employees of the United States, or more than 4,500,000. Six-tenths of one per cent, or less than 1,750 establishments, employ over 3,600,000, or nearly forty per cent of the industrial employees. The conversion of this compact group would mean much for the moral and social outlook of a vast number of industrial toilers.

The advancement of this movement is not solely to be measured by the limits of immediate operations, but by the extent of the interest, discussion and association approval which is developing. When these forces back the movement its further extension in normal times is inevitable. The League for Industrial Rights was the first national employers' association to publish a pamphlet, in 1918, positively favoring such a plan. Other important employers' associations, one after another, have made special studies in this direction and have since given their en-

dorsement. Some have published literature containing suggestions and model forms of constitutions and by-laws. The National Industrial Conference Board has published two studies on the subject. Conventions of employers have discussed the idea during extended sessions. The Canadian Minister of Labor called a convention of leading employers in Canada and published a brochure of their discussions, which were largely confined to this subject. The President's Second Industrial Conference in its final report of March 6, 1920, declared for established channels of expression in each factory and emphatically endorsed the movement. It affirmed that such an arrangement "is itself an agency of collective bargaining and coöperation where union agreements do not obtain." Thus in the course of four years a revolutionary idea, which leads we know not where, has crept into industry, as the most outstanding symptom of changed industrial relations. It exhibits an amazing growth, is the leading feature of industrial discussion, and has been sanctioned by a governmental commission.

INTERNATIONAL ASPECT OF EMPLOYEE REPRESENTATION

Employee representation is not limited to the United States. The growth of the movement is international. Plans providing for coöperation of workers in some phases of industrial management have been instituted, or are being seriously considered in practically all industrial countries of the civilized world.

In *Germany*, pressure from all parts of the country for definite legal establishment of the council system became so great that provision for the creation of works councils was made in the new Constitution of the German Republic, August 11, 1919. As a re-

sult, the Act passed by the National Assembly, January 18, 1920, required that works councils be set up in all industrial undertakings employing twenty or more workers. According to a report of the German Factory Inspection Service, these councils are working satisfactorily in all factories where both sides show good will and an honest desire for successful coöperation. The German Government recently introduced a bill providing for representation of works councils on the Boards of Control of joint stock companies, limited partnerships, limited liability companies, registered coöperative societies and mutual insurance companies.

The *Austrian* Act of May 17, 1919, providing for works councils is almost identical in its broad outline with the German Act.

In *Great Britain*, the Whitley Shop Committee plan, providing for national and district joint councils, was created by Parliament during the War. It is operating with satisfaction in many industrial establishments.

In *Norway*, under an act of July 23, 1920, works councils are to be set up in every undertaking where one-fourth of the employees demand it.

In *Luxemburg*, the Grand Ducal Decree of July 26, 1920, provides for the establishment of permanent works councils in all undertakings employing more than fifteen workers.

The *Czecho-Slovakian* Act of February 25, 1920, makes provision for works councils in mines and allied undertakings. On July 1, 1920, the Ministry of Railways established local, district and central works committees in the railroads; and the workers in the tobacco industry were permitted representation on local and central committees by a Decree of the Ministry of Finance in December, 1920.

Manitoba has a Joint Council of In-

dustry for the adjustment of industrial differences. It is reported that this Council has adjusted disputes which would otherwise have resulted in controversies involving serious losses.

In *Georgie, Russia*, there was in successful operation in 1919 for the adjustment of wage disputes, a wages council, consisting of equal numbers of representatives of workers and employers, but this country is now occupied by Russia and under Soviet rule.

The example set by these countries is spreading to others. In France, Denmark, Belgium, and even in South Africa and India there is serious and careful study of employee representation and a decided leaning toward the adoption of some plan of coöperation. In India some factories are actually operating under such plans.

MORAL AND COÖPERATIVE ASPECTS OF WORKS COUNCILS

The moral content of the idea of works councils and the systematic promotion of common counsel which it implies, is far greater than the narrow and captious phrase "collective bargaining." Class conflicts will never be averted by any process of mere bargaining. Some community of interest must be defined and its promotion sought by joint action. Collective action, which only regards grievances and bargaining, too often falls into collective antagonism. That is one of the reasons why some employers are loath to accept it. But collective functioning, which includes the idea of collective coöperation and constructive effort, will prove successful. Where an employer meets his employees merely to settle grievances, he need expect little coöperation. If, on the other hand, he provides permanent constitutional machinery and periodical meetings to discuss the opportunities and duties which arise from time to time,

there can gradually be created a greater community of effort and a keener realization of the relations of each man's effort to the whole. Such a realization makes a stronger appeal to the creative instinct of men than a system which confines the interest and vision to a particular process. The good will, coöperation, and willingness to sacrifice for the common good, developed by these arrangements in some of the more advanced concerns, surpass anything previously attained in large factories.

Even those whose extreme liberalism seeks far more than is offered by this new era of joint conference in industry, should encourage these arrangements as a step in the right direction, without looking upon them as an ultimate destination. They represent a tremendous stride in progress by substituting joint conference for dictation and a constitutional basis of industrial government. It is hardly to be expected that the great mass of employers can be persuaded to look further until experience with such departures has given further light. After this experiment has been in effect for a reasonable period of time, both employers and employees will come to a better understanding of their duties and will develop a better vision for the future. The engine of industrial progress is travelling rapidly, and with every advancement in its onward movement, the searchlight penetrates still further the darkness of the future.

CONCLUSION

To summarize all of the advantages of shop representation is a huge undertaking. Self-interest is no longer the exclusive guide of conduct and mutual interests are regarded. The moral development of each member of the factory organization, from the president down, becomes notable. Under-executives are led to a fuller under-

standing of the rank and file and the rank and file take a new interest in business problems. Grievances are aired and corrected instead of breeding irritation and resentment. Foremen are restrained by a consciousness that their decisions may be reviewed. The square deal is safeguarded by full hearings on both sides. The opportunities of the individual are better protected and special talents more surely discovered and recognized. The workers obtain a better appreciation of group responsibilities and the true meaning of representative government.

Among conservatives there are wide differences of opinion as to the need of progress in this direction. Such varying viewpoints arise from different conceptions as to the durability of existing institutions. Among those who feel that this present era of unrest, like other eras which have come and gone, will leave the fundamental nature of our institutions unchanged, there can be little incentive for such experiments. But among those who believe that

present arrangements cannot survive; that there is much in the factory system with all of its advantages of quantitative production to constitute a social menace and make potential rebels of a large number of workers, there is a common search for a better method of giving workers a larger voice in matters of direct concern. To the cautious liberal who does not disregard the practical requirements of business, employee representation offers a real hope. It involves no hasty leap from one social era into another, not any violent cataclysm or taking of private property, but a gradual evolution in the direction in which many employers have already turned their faces. Who knows its possibilities? It is grounded on practicality and has the great advantage of elasticity. It may be applied conservatively but it travels the road of idealism and may go as far as the capacity of the workers permit. It may be only the half way house toward industrial democracy, but it surely faces the sunlight.

Moral Influences in the Adjustment of Industrial Disputes

By BASIL M. MANLY

Former Joint Chairman, National War Labor Board

TO attempt to determine the effect of moral influences in the adjustment of industrial disputes is very much like endeavoring to answer the question, "Who won the War?" Looking back over the industrial disputes with the intimate history of which I am familiar, I find it very difficult to separate and weigh the part which moral influences played in determining the outcome as distinguished from such factors as the economic strength, the strategic position, and the leadership of the respective sides. I know that in nearly every noteworthy industrial contest, moral influences, particularly those that are manifested in what we are pleased to call public opinion, played a large part, but I am unable to formulate any satisfactory test by which one can determine, even approximately, the extent of such influences.

There is in some respects a general analogy, which must not be pushed too far, between industrial disputes and international contests. Napoleon's cynical epigram, "God is on the side of the heaviest artillery," contains just enough truth, both for war and for industry, to make it a dangerous maxim. In confirmation of this cynical attitude, I have seen industrial disputes, in which the party with absolute justice on its side, and with the strong support of public opinion, was crushed down by ruthlessness and superior resources. I have seen also cases of absolute hold-ups, where public opinion was defied because possession of a strategic position made resistance to unjustified demands impracticable. So far as I can recall, I have never yet seen a case in

which moral influences or public opinion alone were sufficient to determine the issue.

Thus far, the evidence would seem to support Napoleon's maxim. Nevertheless, in industrial disputes, as in war, morale is as important as equipment and resources. And it is in the maintenance or breakdown of morale that moral influences and the force of public opinion have greatest weight. When the forces are fairly well-matched in equipment and resources, the outcome of the contest depends almost entirely upon morale.

It is for this reason that moral influences are seldom effective except where the opposing forces are of approximately equal strength, and even then they are not able to have a decisive effect until a deadlock has been reached. This is well illustrated in the coal strike of 1922. In this case the organized moral influences of the nation ranged themselves on the side of the miners, at least in demanding that the operators carry out their contract to meet in joint conference with the union for the negotiation of a new agreement. The operators refused to meet in joint conference and to this extent defied public opinion, because they knew that the funds of the miners were depleted and that their organization was disrupted by internal dissension. Nevertheless, the realization that justice was entirely on their side, and that this was generally recognized throughout the country, has had a powerful influence in maintaining the morale of the striking miners, and it is not at all impossible that, in spite of their slender resources

and the great suffering which many are already enduring, they will be able to hold out until the dwindling coal supply forces a deadlock and a crisis. If this should come to pass, the moral forces of the country will then have an opportunity in which they can press successfully for an equitable settlement of the differences between the miners and the operators.

INDUSTRIAL STANDARDS

So far we have been dealing primarily with the effect of moral influences upon particular industrial disputes. There is, however, a much larger field in which these moral influences operate with even greater power. I refer to the effect upon the general social atmosphere of the slow processes of education which are manifested in the establishment of higher industrial standards. It is impossible to overestimate the good which is accomplished by the educational campaigns of such organizations as the National Catholic Welfare Council and the Federal Council of the Churches of Christ in America. Through such influences, industrial conditions which were the subject of bitter contests only a few years ago are now coming to be accepted as the conventional standards of industry. In my opinion, it is in this field, rather than by intervention in particular disputes, that the churches and other organized bodies can achieve the greatest and most lasting results.

THE WAR LABOR BOARD

Some light on the part which moral influences play in the adjustment of industrial disputes may be gained from a brief consideration of the experiences of the War Labor Board. On the surface, the War Labor Board had behind it merely the sanction of a joint agreement between representatives of the

two leading organizations of employers and workers and the force of a presidential proclamation. But it must not be forgotten that, while the Board had no compulsory powers within itself, it had behind it the full war powers of the government. These powers were used, I believe, only twice, once in the Smith and Wesson case, by inducing the War Department to take over and operate for the period of the war a corporation which flagrantly refused to abide by the award of the Board, and once in the Bridgeport case, by threatening to invoke the "work or fight" order against recalcitrant workers. Nevertheless, the threat was always present, and during the period of hostilities was generally respected by both the employers and workers.

The part which moral influences played in the work of the Board was manifested chiefly in its code of principles. These were a set of declarations with reference to some of the fundamental problems of industrial relations, agreed upon by a joint conference of representatives from the American Federation of Labor and the National Industrial Conference Board, presided over jointly by William Howard Taft and Frank P. Walsh. They embodied the principles of collective bargaining and the living wage, and are so well-known that they need not be quoted. They represented, in all probability, the enlightened public opinion of the United States at that time. Here we have an example of the far-reaching effects of moral influences in the adjustment of industrial dispute. These so-called "principles" of the War Labor Board were merely a codification of the results of the industrial agitation and economic education of the years immediately preceding the Great War. It is inconceivable that they should have been adopted either in letter or in

substance at the time of the Civil War, or even as late as the Spanish-American War. They were the fruit of an awakened public conscience.

It is true that these principles, particularly those which proclaimed the right of a living wage, were never literally applied. In this respect they occupied a position somewhat like the fundamental principles embodied in the Declaration of Independence and the Bills of Rights of the various states, which have never yet received practical application in American political life. Nevertheless, they did play a decisive part in determining the decisions of the Board. For example, the minimum rate of wages in the so-called Waynesboro cases, one of the most remarkable decisions ever rendered by an arbitration board, was fixed at an amount substantially higher than had been originally demanded by the employees. This decision was agreed upon, after a debate which nearly disrupted the Board, solely upon the ground that the minimum amount demanded by the Waynesboro employees was below a living wage, could effect merely a temporary settlement, and would in any case be a gross violation of the Board's principles. In making its award in this case, the Board announced that it had then under consideration the determination of a living wage, which would be applied in subsequent cases. In its attempt to fix the amount of a living wage, however, the Board reached what appeared to be an unbreakable deadlock, and, after days of debate, finally agreed upon a compromise resolution, which provided:

That for the present the Board or its sections should consider and decide each case involving these principles on its particular facts and reserve any definite rule of decision until its judgments have been sufficiently numerous and their operation

sufficiently clear to make generalization safe.

It was the intention of the labor side of the Board to bring the determination of a living wage to an issue, and extensive investigations were conducted for this purpose. But the plan was never carried out because the signing of the armistice made further action along this line impossible.

Upon other points than a living wage, however, the decisions of the Board were in large measure in substantial accord with its principles, and as a participant in its proceedings, I can say with some assurance that without the preliminary agreement upon these principles the decisions of the Board would have been far less consistent and much more in the nature of make-shifts.

It would be a mistake to assume from this that the mere adoption of a code of industrial principles will be effective in the settlement of industrial disputes. This is clearly shown by the experiences of the War Labor Board following the armistice. Its code of principles remained the same. The need for its service was in many respects increased rather than diminished, and the courts held that the War had not yet terminated and that consequently its authority was nominally maintained. Nevertheless, its power and prestige rapidly declined. It could have been sustained only by the full weight of presidential authority, but the President went to Europe, after committing the processes of readjustment and reconstruction in the United States to the enlightened wisdom of the nation's business men. It was about this time, also, that the moral influences of the country ceased to function or went into hiding, leaving the field clear for Mr. Palmer, Mr. Lusk and other terrorists.

PUBLIC OPINION AND INDUSTRIAL RELATIONS

The belated attempt to restore the prestige of moral principles in the field of industrial relations by the summoning of the first industrial conference in the fall of 1919 was made abortive not only by gross blunders in the selection of the personnel of that conference, but also by certain decidedly immoral influences which had been permitted to secure the ascendancy, and which were determined to wreck any attempt to secure industrial harmony upon the basis of righteous principles.

The steel strike, which came almost simultaneously with the calling of the industrial conference, was a case in which the decision should have turned upon moral issues, but instead it was determined almost entirely by brute force. It is true that for reasons which need not now be given, public opinion was turned against the steel workers, and until it was too late, it was impossible to secure attention for even the most outrageous abuses and grievances. I am of the opinion, however, that it is a mistake to believe that this subversion of public opinion was decisive in this strike. The victory of the steel corporation was won by the clubs of police and constabulary, by thugs and gunmen, and above all, by the half billion dollars of accumulated war profits which enabled the corporation to view an indefinite shut-down with equanimity. Even if the Interchurch World Movement could have made its report during the early days of the strike, even if public opinion, guided by this report, had turned against the steel trust, I doubt if the strikers could have won even a partial victory against the enormous resources massed against them, unless public opinion had been strong enough to break down the corporation's con-

trol over the machinery of state and local government.

In the case of the steel strike, however, the moral influences of the nation were prevented from functioning, partly by the condition of temporary paralysis to which I have already alluded, and partly by the lack of facts upon which to base a proper judgment. The facts were not developed until the Interchurch World Movement completed its investigation several months later. So also in the case of nearly every other industrial dispute—we ascertain the truth only by a *post mortem*.

A FIELD FOR THE CHURCH

The moral influences of the nation will never be able to function effectively in the adjustment of industrial disputes until they are equipped *in advance* with the facts upon which to form a judgment, and with which public opinion can be educated. These facts should be supplied by a well-equipped government organization, trained to work rapidly and at the same time accurately. Until the government is prepared to undertake this obvious duty and establish such an up-to-date fact-finding agency, it would seem that the churches might well consider the joint maintenance of a small and well-trained staff who could report the facts well in advance of industrial crises. Around such a nucleus of ascertained facts, it should be possible to mobilize the moral forces of the country.

I fully realize the difficulties that lie in the way of such a plan. Nevertheless, the far-reaching results which might be secured would seem to make it worthy of considerable effort. However, I do not wish to overemphasize intervention by the churches or other organizations in the settlement of industrial disputes, for I am firm in the

conviction, which I have already expressed, that the moral influences of the country can be most effectively exercised in the slow processes of education of the nation to higher industrial standards and ideals. There is some danger, indeed, that this larger function of education might be interfered with or embarrassed by attempts to intervene in particular disputes. If

this should prove to be the case, it would seem to be the part of wisdom to abandon this field and leave the controversy to those who are directly concerned and to the government, and to concentrate attention entirely on the formulation and dissemination of the great principles upon which industrial progress must necessarily be based.

Industry as a Service

By FRED J. MILLER

Consulting Engineer, Past President of the American Society of Mechanical Engineers

THE idea of rendering public service by labor may be said to be now in its third stage of development. In the broader sense all useful productive work is and, of course, always has been a social service.

In the earlier period of man's existence, there was very little of co-operative effort. Such as there was, was confined to members of a family, confronted with the task of maintaining themselves by direct application of brawn and such brain power as they possessed to the materials of nature, which were then everywhere free for such application. These materials of nature were, of course, available only within the limited area that could be reached by travel on foot, and by transportation by the power of human muscles.

Probably there was little or no thought among these primitive people that their labor was in any sense a public service. What labor they did was performed under the stimulus of hunger, thirst, the unkind or annoying aspects of the elements, and the instinctive desire for the perpetuation of the race.

They had no thought that any of these impulses or the acts growing out of them were especially creditable to themselves or of service to others. There was no "public," in the modern sense, to be served. Yet we, with the history of the race before us and with our much broader outlook, may perceive readily enough that by simply following the primitive impulses of their primitive nature, they were after all rendering a service without which no society or organ-

ized public could have been developed.

In a later period, when the development of unusual skill in the making of implements of utility and of warfare, and the specialization and the exchange of such implements by their makers for the products of the chase had resulted in the beginnings of commerce, there must have followed the first conception of labor as a public service, and the maker of the best spear or sling, bow and arrow or trap, came to be recognized as rendering a special service to the tribe—service of a kind not otherwise obtainable and comparable at least with the service rendered by the most doughty wielder of these primitive weapons and appliances. This was the more clearly perceived and appreciated because the makers and the users came into direct contact and discussed defects and failures, their causes and possible remedies.

If a superior war club contributed to an important victory over an enemy, the wielder of the club knew its maker; all the other members of the tribe knew him and it was practically impossible for him not to receive credit for his superior skill and his full share of public honor. In fact, it is not unlikely that the development of specialized skill or ability by individuals was one of the most powerful incentives to the formation of tribes or groups of people, having common interests of a fundamental character which could be best promoted by group action and by making available for all members of the group products of the special skill attained by various individuals.

OBSCURING THE IDEA OF PUBLIC SERVICE

Though this primitive industry, developed through many ages, resulted in many and important improvements to the race, the direct contact of maker and user continued to be the rule until by the introduction of merchandizing and common mediums of exchange, men who neither made nor used weapons or implements came to play an important part in their distribution for use. Such men had, from the first, a pecuniary incentive to prevent their patrons from knowing, or coming into contact with, the makers of their wares, fearing that such contact would result in more or less direct trading and loss of business for themselves. Survivals of this idea are to be seen in present day merchandizing, especially in such things as groceries, drugs, millinery, etc. Many of the largest retail enterprises handle goods either not marked by the name of any maker or else marked with their own name as maker, although they have nothing to do with the real manufacture of the goods but have them made under contract.

Further than that, by the growth of very large industrial establishments, especially those belonging to corporations, in which the name of the corporation is given the greatest possible publicity and the individuals connected with it often systematically kept in anonymous obscurity, the makers, who are the real servitors of the public, are unknown to that public as such. In the lower grades of employment, even the names of many of the men who work are unknown, and they are distinguished one from another only by numbers assigned to them.

Men in such employment can not be expected to realize that they are rendering a public service. They

know only that they must serve a boss whom they too often fear; too often, also, with good reason. To succeed in pleasing the boss sufficiently to hold their jobs is all that concerns them, and it is to him only that they are conscious of rendering service.

In some higher planes of employment familiar results of the attitude thus developed are seen in the behavior of ticket sellers, ticket punchers at train gates, trainmen and "public service" employees in general who, in one way or another, come in contact with the public. They often come to think that they render service to only one man, that man being their immediate superior, who has the power of discharge and whom they, therefore, know that they must treat with all possible consideration and respect. Subconsciously, they think of him as being the source of their means of support, and seem not to recognize in the least that their real source of support is the public to whom they are disagreeable in various ways.

Happily there have been of late, many indications that such workers and those who direct them are being taught that it is the public which supports the enterprises in which they are engaged; that it is, after all, this public for whom the service is maintained and that it pays to recognize this fact and to behave accordingly.

The obscuring of the idea of service to the public is shown sometimes by the rules made by or under the influence of accountants or controllers, who come into contact with the public little, if at all, and whose only concern is to see to it that the system which they have adopted to prevent irregularity is rigidly enforced. Under such a system, an elevated railroad "tied up" by a fire may not allow its ticket seller to return the money just collected from the passengers so that they may seek other means of trans-

portation, but he must tediously fill out numbered blanks, sign them, tear them from a book and give them to the passengers, already exasperated by delay and inconvenience, who can use these blanks only in payment of fares at some other time. Meantime, if it should happen that a tired mother had spent her last remaining change in tickets for herself and children, she may walk to her destination, or otherwise do as best she can. It is obvious that this policy is pursued only for the convenience of the accounting department. The immediate cause arises from a too narrow view of the nature of the industry although the primary cause is to be found in the modern development of our complicated and indirect methods of rendering service and not, as we are often tempted to believe, in the sheer perversity of human nature.

BALKING THE CREATIVE DESIRE

Perhaps the earlier experience of the race in which each worker was able to see and to understand the nature of the service rendered by him and to know that it was appreciated at its full value, has implanted in our natures that trait which makes it irksome to work hard for long hours daily, performing over and over again a simple operation upon a single part of a complicated machine, knowing only dimly the nature of the work performed by the machine, and nothing at all of the function of the piece upon which we continuously perform our monotonous labor. Whatever the cause, we know that the enthusiasm and the intense devotion of the boy in the construction of a boat, a windmill, a wagon or wireless apparatus, almost certainly disappears entirely when he afterwards enters a factory and becomes "a hand," making, or partly making, only a small part of a machine, in which he is inspired to take

no interest whatever, being often forbidden by factory rules to enter any department of the factory except the one in which he works.

While our personal needs or those of our dependents still remain for most of us the primary incentive to work, it is becoming clearer daily to those who conduct our industries, that our past methods have violated an ingrained trait of human nature—the desire to accomplish something which we know to be worth while; something which others can and do appreciate as a real service to them.

It is gratifying to know that many sincere efforts are being made to develop in our modern workers a clearer perception of the fact that all useful work, mental or manual, is a public service and a genuine contribution to the advancement of the race; that it is the right of the worker to feel the full force of this fact, and to get from his work some degree of that satisfaction and inspiration which comes from the gratification of the creative instinct that we find in the child who makes, entirely with his own hands, a thing that is useful or beautiful or capable of giving pleasure to himself and to others.

THE DESIRE TO RENDER SERVICE

During the late war, there were many instances of both skilled and unskilled workers leaving private employment to work in government arsenals, because they could more clearly perceive that their work in these arsenals was a direct public service—a personal contribution to the winning of what they regarded as being, more than any other, a people's war. In some cases, they came from establishments in which they had been working on government contracts, but they preferred to work directly for the government and under the direction of men who were also working directly for the

government and without the intervention of those whom they regarded as mere "profiteers."

One result of this feeling has been that very many of these men who were criticized for getting the highest wages while their brothers were at the front serving their country for far less, now believe that in a future war, if it should come, not only soldiers but absolutely everybody able to contribute in any way to the winning of the war should be conscripted, supplied with what they need for maintenance and nothing more, and that there should be no profit-making by anybody as a result of war. An idea which, whatever else we may think of it, is based upon a profound belief that industry should, in times of national peril, be made exclusively a public service.

It is true enough that many of those classed among "the workers" have erroneous ideas concerning what constitutes public service, and are too apt to believe that those who do not literally earn their bread by the sweat of their brow are not obeying the divine command but are supported by those who perform manual labor. On the other hand, among the brain workers themselves, there is too general a belief that anyone who can make a living, or even a fortune, while keeping within the law, or conforming to an established custom, is necessarily rendering a public service. The real facts as to whether or not he is actually rendering such service, are not examined.

The grosser forms of obtaining a share of the world's goods without contributing to them are deprecated or condemned by all of us; but there is a considerable territory within which efforts to obtain wealth without rendering any useful service whatever are condoned, and sometimes even highly esteemed. The most important of these, both by reason of its

magnitude and by its effects upon our social organization and manner of life, is the system by which one member of the human family is permitted to take from others a large share of what they earn, for his permission to use that portion of the earth or its raw materials which they need for homes, or for places in which to carry on useful work. The most superficial examination will show clearly enough that he who holds title to land on which he has made no improvements and intends to make none, but only charges others for the privilege of making them, is rendering no service to the public. It behooves us to recognize that all such things are being more and more scrutinized by that part of the public whose difficulty in obtaining a good living stimulates them to direct clear thought along these lines.

We all need to recognize more clearly that, not only is all useful work always and everywhere a public service, but that the time may come, and sooner than we might expect, when the test of the social desirability of any activity will be: Does it render a public service? Our modern industrial methods have obscured too much the fundamental facts underlying these matters, and we have departed too far from the ancient condition when all the members of a tribe or human group fared well or ill together, each being honored in accordance with his contribution to the general well being, whether by the chase, in the common defense or in socially beneficent industry.

When we have done away with the means by which some of us prosper without rendering any useful service, then we must so arrange that an honest and useful worker will not be despised, but will be enabled to understand that his work is appreciated as a service and will be rewarded in proportion to its value.

Social Concepts in Economic Theory

BY SAMUEL McCUNE LINDSAY, PH.D.

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IN the brief space allotted to a single article it is neither possible to treat exhaustively nor trace historically the development of recent social concepts in economic science. In view of the growing weight of authority attaching to economic theory and reasoning in the minds of practical men of affairs and those who shape and make public policy, it may serve a useful purpose to point out some of the social concepts that now find a place in the economist's analysis and explanation of the phenomena of wealth.

A rather remarkable humanizing process in economic theory can be traced for nearly a half century or from about the Centenary of Adam Smith's *Wealth of Nations* in 1876, when Walter Bagehot labored to justify the mechanistic and objective isolation of economic facts in order to insure an exact science of economics which was to be as serviceable in extending our knowledge of the world of work and business as the physical sciences, which were the glory of that day, had been in teaching men to know the natural world in which they lived.¹ Carlyle's diatribes on the "dismal science" were born of as little knowledge and appreciation of what economists were about and of what political economy was good for as the maladversions of Harriet Martineau and the pseudo-economists in Parliament nearly a half century earlier, who denounced the Factory Acts as opposed

to all sound economics and seized upon loose statements of economic theories of free competition and of the forces of demand and supply "to quote for the purpose of keeping the working classes in their place."²

In fact as Marshall has well pointed out all of the real economists of the early thirties and forties, McCulloch, Tooke and others—with the exception of Nassau Senior, who wrote against them "when he had only begun to study economics"—supported the Factory Acts, and were not unmindful of the greater range that had to be given to collective as opposed to individual action in economic affairs. The fact that Nassau Senior a few years later formally recanted his opinions has been generally overlooked or forgotten by students of the English industrial history in the early half of the nineteenth century.³ No one shows better than Marshall himself, in the first edition of his *Principles of Economics* which appeared in 1890, the great change that had come over the masters of economic theory as a result, in part, of the influence of the historical school of economic research and of biological studies and the development of the biological and social sciences.

Economics at the close of the nineteenth century and ever since has lost

² Alfred Marshall, *Principles of Economics*, 8th Edit. 1920, App. B, 6, p. 763 note. Marshall in his *Industry and Trade* (3rd Edit. 1920) App. E. on "The British movement toward free trade" says: "It does not appear that any eminent economists maintained a position of hostility to the Factory Acts; though they were bitterly opposed by some writers who had a superficial knowledge of economics."

¹ Walter Bagehot, *Economic Studies: Postulates of Eng. Political Economy*. Pp. 255-260; *Preliminaries of Pol. Econ.*, p. 319. Hartford Travelers Ins. Co., Edit., Works of W. Bagehot, Vol. 5.

nothing in its positive value as a science, and it has gained a great deal in its applicability and service to the real world in which we live, by reckoning with human and social factors as well as the "definite and exact money measurements of the steadiest motives (that is, those which can be measured best quantitatively) in business life."³

Even John Stuart Mill, in his rejection of an early ambition to contribute to a more abstract science of economics and in his great work published in 1848 which he called *Principles of Political Economy with some of their applications to Social Philosophy*, showed plainly the transition from the purely mechanistic concepts of the period dominated by the influence of the thinking and reasoning of Adam Smith, Malthus and Ricardo to the social factors and the humanizing process that transformed economics in the hands of Marshall and his contemporaries in England and their colleagues in America at the beginning of the twentieth century.

SOCIAL CONCEPTS

Without further attempt to appraise the extent or value of this socializing process in economic theory, let us ask what are some of the concrete social concepts which are considered capable of definite measurement and are now affecting the scope, character and content of economic laws.

There are at least five of major importance,

(1) Coöperation as a factor in production, especially coöperation between labor, management and capital.

(2) Standard of living and the maintenance of a national minimum in relation to wages and productivity of labor.

(3) Stabilizing demand for so-called common necessities, or goods affected

³ Marshall, *Principles of Economics*, Book 1, Chapter 2, 8th Edit. 1920.

with a public interest, such as transportation, fuel, food, clothing and shelter, in relation to unemployment and interrupted production.

(4) Industrial peace, and the public or non-participants' interest.

(5) Collective responsibility for the risks and hazards of industry assumed by labor, management and capital.

COÖPERATION

Coöperation between labor, capital and management is increasingly recognized as a factor in production having important relations to productivity of the individual worker as well as of the industry. Hence it bears an important relation to wages, labor costs, the elimination of waste, and profits. Such coöperation as is here contemplated is secured only where the machinery exists in an industry, or more frequently in a single plant, for full and frank conference between the management and their employees. It finds its full fruition when the usual labor contract, whether made with or through unions or with employees individually, is based on a more extensive knowledge on the part of the management of the cost and standard of living, the training and ambitions, the racial and group peculiarities and sensibilities of the workers who supply both the skilled and unskilled labor which the industry or plant requires; likewise when it is based on a more thorough and intimate knowledge on the part of the workers of the economics of the business processes, the cost accounting, market conditions, etc., affecting the product of the business.

Such coöperation may directly affect unit costs of production and indirectly affect every other economic factor entering into or flowing from the production of economic goods. It means a great deal more than merely a necessary incident in efforts to secure industrial

peace. There are really a great many ways in which coöperation between employers and employees or between labor, management and capital is sought and being brought about. Shop committees, works councils, industry-wide councils and many plans growing out of experiments in industrial democracy are in actual operation in hundreds of plants and many industries throughout the United States and Great Britain.⁴ The progress of such experiments will depend largely on the initiative of employers and the recognition of a new responsibility on the part of industry and management. The economic significance of such experiments will, therefore, vary with the extent to which a particular industry or industry as a whole consciously assumes responsibility for creating conditions that make for coöperative relations.

STANDARD OF LIVING

A second social concept that deserves and is receiving serious consideration as a factor in economic theory is that of a standard of living. Efforts to set up a standard of living as a measure of reasonable wages have been varied and have already attained considerable success especially in industries operating under governmental supervision and regulation. Thus the wage boards, provided in the minimum wage laws of several countries and of some dozen or more states and the authorities established in government controlled industries during the War as well as the commissions or boards which regulate wages or working conditions in public utilities and in transportation, all give weight in their determinations

⁴ Constructive experiments in industrial coöperation between employers and employees by Sam A. Lewisohn, *Proceedings of the Academy of Political Science*, v. 9, No. 4, Jan. 1922, p. 1 or 539.

to the statistical data now available to show the fluctuations in family budgets. The aim, of course, is to find for different localities and for different industries the minimum amount necessary to maintain a normal family of five in a state of health and physical efficiency and to regard this amount as a base below which the bargaining of the market shall not depress the normal level of real wages. The records of many wage boards reveal interesting results whenever representatives of employers and workers in any particular industry get together around a table and agree upon the items that shall enter into a normal standard of living and the cost of those items. Invariably the total is greater than the market rate of wages in the industry investigated. This is true even where the standard agreed upon is conservative and more so when the standard includes, as it should, in addition to provision for health and physical efficiency, provision for savings or for insurance contributions to protect workers from the risks of unemployment, invalidity and old age, and also adequate minimum provision for education, recreation and participation in community and citizenship enterprises. The data available for determining a subsistence wage are more readily obtained from the recorded experiences of working people than the data for ascertaining what is necessary to provide a moderate standard of comfort and economic security.

Where workers are not given any assistance, either through strong unions or through minimum wage laws or through governmental protection, in their bargaining power with their employers, it is an open question whether marginal wages are not generally fixed by industries that are really parasitic or by that part of an industry that is parasitic and would not exist except for the tax it imposes upon the

community through the doles of public and private charity. Subsidized industries may be necessary and justifiable under clearly known conditions and the recognition of a minimum standard of living in any industry or in any community is a valuable aid to the public knowledge of those conditions and will undoubtedly serve as an effective check upon abuses. A standard of living, however, officially determined and frankly recognized, serves a more important purpose, for employers and workers alike, as a guide and measure of the productivity of the workers and the organization and management of an industry.

COMMON NECESSITIES

A third social concept which has attained even greater economic significance in all highly organized industrial communities is that which has segregated an increasing number of economic goods and services regarded as common necessities, or affected with a public interest, such as transportation, food, fuel, shelter and clothing. Here we find a stabilized demand. We also find that the distribution of population and the highly developed division of labor in modern industrial societies makes interrupted production and unemployment a more serious factor which cannot be dealt with satisfactorily through the ordinary channels of free competition and the normal working of the unrestricted law of supply and demand. If uninterrupted production is to be maintained and the ordinary fluctuations in demand are successfully stabilized, evidently a social compulsion will be exercised and will profoundly affect the bargaining power of both labor and capital. This social compulsion may not go to the extent of conscription either of labor or capital. Compulsory military service and even the conscription of capital

may become necessary and are recognized as legitimate in time of war when the life of the nation is at stake. No such principle, however, nor even social pressure which would violate the constitutional guarantee of a free people against involuntary servitude, is necessary or expedient in a peaceful industrial state. Other means are available and effective to achieve the necessary social pressure not inconsistent with, but rather based upon, a broader concept of social and industrial justice.

The present situation in the coal industry in the United States furnishes a good illustration of the maladjustment of economic forces. In the production of soft coal especially there is a surplus of possibly 40 per cent of workers engaged in the industry over the number which can be employed, at living wages on anything like full time, to meet the market conditions of demand for that product; and likewise, there is a surplus of capital engaged in the operation of mines, which cannot be profitably operated at prices fair to the consumer, for coal which could be supplied by the more intensive operation of existing better mines. No solution for this problem seems possible except nationalization of the mines or their operation under government supervision and control. The latter method might be achieved without nationalization by a plan of regional unification, regulation of prices, priorities of transportation facilities, and some scheme of setting aside a reserve fund out of the regulated price to compensate unemployed workers and unemployed capital invested in unused mines until such time as the surplus capital and the number of surplus workers could be gradually reduced to what the industry can normally use on a profitable basis. Regional unification coupled with regional competition along the lines contemplated

in the transportation act for the regulation of railways under government supervision, but with private operation, might be relied upon to protect the interests of the consumer.

INDUSTRIAL PEACE

A fourth social concept is closely allied to that of the segregation of production of common necessities or goods affected with a public interest which we have just discussed, namely, the concept of industrial peace. The time has come, says Mr. B. Seeborn Rowntree, "for those who are responsible for the conduct of industry to think industrial peace, and to set it before themselves as an ideal, to be realized, not in some far distant century, but now. Its realization is perfectly possible. . . . It cannot be secured by 'keeping the workman in his place.' The day for that kind of thing is past. . . . There remains only one way to establish industrial peace: It is to remove the occasions of industrial war."⁵ Mr. Rowntree, himself a large and successful employer with considerable experience in public service in industrial relations on a national scale, speaks not only for his own country, Great Britain, but has outlined a detailed plan based on actual British experience and a scholarly economist's analysis, observation and conclusions, based not only on British experience, but on a knowledge of the general economic factors of countries as varied in their industrial organization as Belgium, France and the United States, which, however, have so much that is fundamentally common in their industrial and economic processes.

Industrial peace means a recognition of the force represented by the general

public or the non-participants in the ordinary economic struggle. That part of the body politic, more numerous than all of the wage-earners and the share holders or investors involved in any single industry, or even in any group conflict in industry, but interested as consumers in the stability of all industry, has rights and the power to enforce them. These rights and public opinion, which in the last analysis is determined by the way in which they are respected, constitute an economic force which must be increasingly reckoned with.

COLLECTIVE RESPONSIBILITY

A fifth social concept which grows out of that of industrial peace and indeed is almost a corollary of it is that of collective responsibility for the risks and hazards of industry assumed by labor, management and capital. In other words, the public is gradually gaining a certain practical working knowledge of economic facts. As a result it is saying to wage-earners: We are prepared to assume as a collective responsibility, and to pay the cost in the prices we pay for the goods you produce, those risks of unemployment, of industrial accident, perhaps even of sickness, certainly of occupational diseases, invalidity and old age, which have heretofore fallen almost exclusively upon your individual shoulders and for which you are individually unable to provide economically and adequately through such organization as you alone can effectuate. It is prepared to say likewise to management: If you will assume as a responsibility of industry, not merely the making of profits, but also the maintenance of standards, which will ensure social and industrial justice and a certain modicum, at least, of economic security for both the workers and the capital required to keep your industry going; we

⁵ "The Human Side of Business Administration," *Atlantic Monthly*, April, 1922, and *The Human Factor in Business* by B. S. Rowntree, Longmans, London, 1921.

will back you up, pay the cost in reasonable prices and give community support to deal effectively with outlaws, brigands and pirates, who now operate to break down those standards.

Such in brief are a few of the more important social concepts that are shaping themselves in the minds of an increasing number of people in democratic self-governing industrial states all over the world. Politicians may play with them and thwart

them, and demagogues may seek to divert them to unholy uses; economists, however, upon whom we must rely for ultimate guidance in determining public policies, will reckon with them as new forces of great promise. They may necessitate the rewriting of some of the older laws of production, distribution and consumption. They have already transformed the dismal science into a human science of greater authority and of immeasurably greater service to humanity.

Property From a Christian Standpoint

By RICHMOND DEAN.

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CHRISTIANITY in industry, and in all dealings man to man, would cure many of our troubles, and prove a solution of much of the unrest now present in our body politic. This condition will only be brought about when the great majority of the people recognize the fact that all the teachings of Christ are clearly adapted to all conditions of life. These teachings are all simple, and the maxims set forth are in language that can be understood by all; they are intensely human, and consequently entirely practical.

We are all inclined to look upon things religious as pertaining to churches only, but fail to realize that they should be a part of our daily life, and, if introduced in our dealings with each other, would tend to smooth the way and make life more pleasant for all mankind. Peter in his teachings says:

Honor all men. Love the brotherhood. Fear God. Honor the King. Servants be subject to your masters with all fear, not only to the good and gentle, but also the forward.

It seems so easy to follow the straight and narrow path, and yet many of us do not do so; for, while the great majority of mankind is honest and unselfish, there are three forces which actuate a number of people, and which contribute largely to the unrest and unsettled conditions now existing; these forces are: greed, selfishness and dishonesty. These forces are not confined to any one class, but exist in all society. This results in the "human equation" which must be taken into consideration in all dealings between humankind, and it is in the endeavor to control these forces

that Congress and legislatures enact so much legislation, a great deal of which is useless. Mankind can perhaps be controlled by such laws, but no legislation ever enacted can make an honest man out of a dishonest one. We must, then, in the solution of our problems, recognize and, as far as possible, deal with this "human equation."

ELEMENTS NECESSARY TO PRODUCTION

Three elements alone result in production; these are management, labor and capital. The absence of any one of these elements nullifies the endeavor of the others, and renders their efforts fruitless. It follows that each of these elements is entitled to a fair and reasonable daily wage, and, if after the payment of this daily wage to each, there should remain a surplus, such surplus should be divided in a fair and equitable manner between the elements that produced it.

It is, however, a well known fact that neither management nor labor will contribute to any deficit which may occur from the operation of a business, and it is then only fair that before any surplus resulting from the year's operation is divided, there should, in all fairness, be deducted and set aside a certain percentage of such surplus to insure the daily wage of capital in years when a deficit occurs; for it is not reasonable to expect one element to bear the total burden of a deficit.

The year 1921 is a forcible illustration of this condition, for if many of the large companies had not provided for "the rainy day," and accumulated a large surplus, they would have been

forced to suspend operations, in which event there would have been no employment for either management or labor.

It is admitted labor can often suggest methods that will result in economy and efficiency; it is therefore logical that it have some voice in the conduct of that part of the business which relates to its endeavor, and to this end a committee of the three elements should meet frequently to discuss and decide the questions which arise in regard to the various phases of production. This same committee, or a similar one, should pass upon all questions in regard to employment and discharge; and the committee should also be vested with authority to provide for the relief of worthy employees who might be absent on account of sickness, accident or causes beyond their control. If, however, an employee is absent on account of laziness or debauchery, it is to the interest of all that his services be dispensed with; such relief should be a charge against the business.

Pensions should be coupled with an insurance feature, and the attendant expense should be participated in by all. Often a wife, or the immediate family, is left destitute on the death of a pensioner under present methods. It is common knowledge that what costs nothing is not valued; furthermore, the participation in this expense is very likely to instill a spirit of thrift, which is much needed in our economic life today.

Unions in themselves are undoubtedly good for all interests concerned, but they should be internal. It is a well known fact that unions, as we know them at present, have been in many cases shamefully subordinated to the personal interests of those charged with the administration of affairs, and have resulted in graft, bombing and even murder. A recent article

by Prof. J. Laurence Laughlin, of the University of Chicago, entitled "The Perils of Labor," sets forth the danger of this situation very clearly.

Opportunity should always be afforded to all, to obtain an interest in the business in which they are engaged, and we have many instances of those in a lowly, subordinate position climbing the ladder of success by industry, thrift and application.

When our business is conducted as "our" business, in honor and fairness by all concerned, it is sure to succeed.

PROVISION FOR HARD TIMES

Centuries of experience have demonstrated that at intervals there occurs what we call hard times; during such periods the natural law of supply and demand comes into play, and the result is depression in business and unemployment. Such periods can in the writer's opinion be provided for in the following manner:

The federal, state and municipal governments are always making appropriations for buildings, roads, waterways and various other improvements, most of which are not urgent, and can be held in abeyance without detriment to the public. Under such conditions the appropriations should be put in the hands of trustees, chosen from the people of the community concerned; then in times of depression these funds can be used to furnish work for the unemployed until business revives, to the extent that there is work for all. This plan, I am sure, will not appeal to those politicians who are in politics for what is in it for them individually.

There is a proportion of people, who, through causes beyond their control, are not able to earn their daily bread; a part of these can be trained, or rather educated, to certain trades or professions; and the education, care and maintenance of the incompetents, hand-

icapped persons, and dependents of all kinds should be provided for by the community in which they reside. It should not be considered that the care and maintenance of such people is the duty of persons inclined to philanthropy; it is in reality a solemn obligation of the entire community.

The Ten Commandments undoubtedly furnish the basis of all laws, and that being the case, the people generally should know and heed the injunctions which these commandments so clearly and simply set forth. If this is followed by the majority of people it would render unnecessary the maze of man-made laws, which affords an op-

portunity to advantage the vicious who take occasion to hang their cases on sophistries and technicalities, and by such means defeat the very law enacted to control them. In fact, a change in present conditions must be brought about by a change within and not from without. Laws must be enacted to control and punish the vicious, but such laws should not work a hardship on the honest and just, as they sometimes do.

Above all, we must endeavor to replace envy, hatred and malice with tolerance and forbearance in our dealings with each other. None of us can hope to be perfect; such a condition is not within human attainment.

An Employer's View of Property

By HENRY S. DENNISON

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THE Christian ethic makes demand upon all men to act as if in a brotherhood. If this demand is to be granted any practical meaning it must be that each man's life is expected to deliver its maximum service towards the truest good of all men. To approach this objective each man must be more and more nearly fitted into the place best suited to his abilities, and spurred by the influences most appropriate to his make-up; and all men, but especially leaders, must have a more definite, more practical, and more uniform notion of what does actually tend towards the truest good of all.

If there can be any such applied science as social engineering, its ultimate objective cannot differ much from this demand of the Christian ethic. The problems of the ownership and of the control of property are for the Christian teacher and social engineer alike problems of organizing the forces and influences which work upon men so that they will lead towards a progressively greater utilization of the powers of each individual for the deepest good of all.

Of the two commonly accepted privileges attaching to the ownership of property, control of its use and ownership of its fruits, the former can most profitably receive the present focus of attention. Only if long and ingenious efforts should fail to modify the control of wealth would ownership of the fruits of wealth constitute a problem; namely, the problem of the basic rights of ownership, so long debated by socialist, communist, and individualist, with high passion and meager profit.

It is admitted as a basic theory in all democratic communities that there are

somewhere limits to the freedom with which one can control his own property, bounds beyond which he cannot "do what he likes with his own," though the variety of its definite applications obscures the basic unity. Ordinarily we hear that every man's right is to do as he pleases with his own so long as he does not interfere with the rights of others, the rights of others being of course to do as they please with their own, short of similar interference. At best this can cover only the simplest situations and can give no help where rights conflict or where a democratic society must decide to what extent it will guard ownership and protect its transfer. A Christian society which does not go further than this would warrant the few who own material wealth in withholding it to the beggary or death of the rest.

The Christian ethic cannot allow the use of property to the harm of another. Can it approve its use for anything less than the greatest service which may be practicable? Doing actual harm and withholding good never differ more than in degree and are sometimes indistinguishable; and if both Christianity and social engineering demand that each must deliver his maximum service to all, the limits to what one may please to do must crowd so close to his duties that we may as well say at once that "he may do what he *ought* with his own."

Precisely what ought he to do? Can we, who with difficulty see ahead twelve months, who know little or nothing of the dynamics of our present structure, attempt to define some form of social structure which might be called a goal? It is out of all reason. We can, how-

ever, see present imperfections, and work towards their elimination. We can use property for greater service even when we cannot yet picture its greatest service. We can choose continuous progress rather than attainment as the object of our striving. If we can see how to increase the use of the talents and properties of men for the deeper good of all, or how to increase the extent of unselfish purpose (that store of energy which drives us out of beastdom), we may safely leave detailed drawings of some future social structure to the utopians.

For progress must be recognized as the product of good purpose and structural improvement; when either factor is zero the product is zero; when one factor is negative, the result is negative. In none of our efforts towards the greater welfare of man can this fact be forgotten. Both structure and pur-

pose must be strengthened, and, in a democratic type of society, strengthened broadly throughout the group. For if autocracy can get a high degree of initiative in the men at its top, democracy finds a greater total in lower degrees throughout its whole mass.

The doctrine of brotherhood, which is implicit in any belief in the fatherhood of God, confirms the tenets of sound social engineering in demanding of the possessors of skill, of talent or of properties, that they be used in steadily increasing measure in real and true service to mankind. It demands of men of power and ability such a directing of the work of all men that their good services may increase and their good purposes strengthen. It demands of each man a continuous broadening of his own good purposes and their consecration in service.

Industrial Conditions as a Community Problem With Particular Reference to Child Labor

By FLORENCE KELLEY

General Secretary, National Consumers' League

IS any more serious problem conceivable than the inability of a nation to protect and cherish its youth? Is our nation confronted today by this problem? Is this the unavoidable consequence of the recent decision of the United States Supreme Court that the second federal child-labor law is, like the first one, contrary to the Constitution? One object of this article is to state the reasons for the belief that this is the unavoidable consequence of this decision, and to suggest solutions which, though partial, may prove to be valid as far as they go.

It may be argued that the mass of American children are doing fairly well, that it is only the limited group of the child workers who suffer. But is not hardship consciously and continuously inflicted upon one part of the people, contrary to every ideal of democracy and of modern morality? Especially when the victims are defenseless because they are both young and poor? And when their numbers are increasing with extreme rapidity? And when the dangers to which they are exposed grow constantly more threatening?

NEED OF FEDERAL CHILD-LABOR LAWS

When the United States Supreme Court held the first federal child-labor law contrary to the Constitution and therefore void, children whose names had been listed in advance were called into cotton mills and tobacco factories, canneries and glass works, on that same day. They began to work on the following morning as their elder brothers and sisters had done before the law was passed. The Supreme Court has now held the second child-labor law un-

constitutional, and again the young children have gone back to work in the mills. Soon they will again be working in factories, workshops, mines and quarries. Yet the arguments in favor of the passage of the first bill still hold. And every fact which led Congress to pass the second bill calls, as urgently as it did then, for the strong hand of the government to guard equally in every part of the country the children who are the nation of tomorrow. This Republic is One.

In enlightened states, the decision makes relatively little difference, for there state laws go farther than either federal measure went. In general, however, it is true that a federal minimum law facilitates farther advances in the more enlightened states. It is in the less enlightened states that the children suffer. Where mob law reigns, what hope is there for local enforcement of local child-labor statutes, or for compulsory education? Where the Commandment, "Thou shalt not kill," and the statute against murder are alike unheeded, who taxes himself to pay efficient local truant officers and high grade state factory inspectors, to interrupt children engaged in earning wages for their parents and creating profits for their employers?

The War told the story. The second federal child-labor law followed promptly upon the nullification of the first. For the ugly facts of our native illiteracy, our sickly, stunted and defective recruits from the North and South alike were fresh in the public mind, revealed by the draft.

For three years, 1919-1922, while federal inspectors enforced the child

labor laws in Mississippi as in Oregon and violators knew that federal courts and the federal Treasury guarded the children, parents and older youth were in demand as wage-earners. During that period children below the age of fourteen years did not compete against their fathers and mothers in the narrow range of occupations covered by the statute.

This nation cannot plead ignorance. It knows the need of uniform child-labor legislation, and from three years' fresh experience it knows the value of federal enforcement. The first federal child-labor law became effective September 1, 1917. It was declared unconstitutional June 3, 1918. The second one became effective April 25, 1919. It was declared unconstitutional May 15, 1922, after being in force three years and three weeks.

Before attempting to get a federal measure, state laws had been tried for more than eighty years and found wanting.¹ A crazy quilt of them almost covered the country. In general the better and more widespread the good state laws, the greater the injustice to the unprotected child toilers in the backward states. How can a vast democratic, industrial Republic be expected to live, if its children are treated according to forty-eight different standards? In Ohio children go to school to the fifteenth or sixteenth birthday, helped by mothers' pensions if the normal breadwinner is dead or disabled. In the state of Washington children are enabled by the workmen's compensation law to continue (to the sixteenth birthday of the youngest member of the family) to live in the home that their breadwinner was paying for when he met death in his employment. There the state, if

¹ In June 1882, forty years ago, the writer filed as a graduating thesis at Cornell University, a study of the Child and the Law, which was

necessary, enables the family to keep up the payments, and collects the sum from the insurance fund of the employing industry. How can our nation persist if, by contrast with such provisions as this, it lets children in states more highly developed industrially than Washington work ten, eleven or twelve hours daily, and if they are subjected to this strain without sickness insurance or efficient compensation laws and with only a meager minimum of public provision for their education?

Without reasonably uniform justice and cherishing, the children cannot thrive, or later serve the Republic. For this the one indispensable requisite is a federal law based upon an amendment to the federal Constitution. If, as interpreted by eight Justices,² the Constitution makes the federal law impossible today, if it serves as a pretext for restoring young children to their exploiters, and gives federal sanction to overwork of older children, clearly that Constitution, 143 years old, must be modernized. No ancient instrument is *sacrosanct* which imperils the nation by imperiling its youth. The Constitution adopted in 1789 is older than the earliest American textile mill.

No theory of the distribution of powers of government is sound, which ignores injury to boys and girls, such as the textile, tobacco factories, canneries and glass factories have inflicted continuously, except during the brief period of federal safeguarding now ended by the decision of May 15.

WHY DOES NOT INDUSTRY PAY ITS FULL COSTS?

Since the close of the War, in the short period since November 1918,

published in the *International Review*. A part of the material then used dated back forty years.

² Mr. Justice Clark dissented.

ours, already the largest in volume, has become the most dangerous industry in the world through the exposure of men, women and children to poisons new in America. On an enormous scale we have taken over the German poisons (dyes and solvents) without the safeguards which the Germans had been evolving and applying step by step as the industry developed.¹

The Women's Division of the New York State Industrial Commission is now making a study of 2997 cases of compensation paid for injuries to minors under eighteen years of age in New York State in 1919. This study embraces only injuries which have kept the person involved out of work two weeks or longer. It is indicative of the prevailing lenient view of the responsibility of the industry for this suffering, that these are still officially called accidents which should always, if only for the sake of straight thinking, be called injuries. Nothing preventable should ever be called an accident.

The proportion of young workers grows with the evolution of machinery and the simplifying of processes, and the younger the workers the greater the danger from both machines and poisons.² It is precisely at the silly, adventurous age that the young workers are allowed by our statutes to leave school and enter industry.

Because the father's income is insufficient the children work. In the textiles the wage unit has always been the family. Fathers have never expected to be the sole support. Under the pressure of competition the child becomes the means of its own undoing, and contributes to that of its family. That dependence upon the children's earnings which was once the especial disgrace of the textile industries has

spread far and wide to other occupations.

It is impossible adequately to characterize the sinister significance of our having virtually no compulsory sickness insurance, and no uniform workmen's compensation. It is a measure of the cynicism of the indifferent public. It is an index of the absence of statesmanship among those social workers who devote themselves to repairing and providing for the charitable maintenance of industrial wrecks, instead of stimulating industry to make itself safe and healthful by compelling it to pay for its heavy share of the disease and disaster befalling breadwinners whose withdrawal causes boys and girls to become wage-earners.

The fact that we lack such sickness insurance and uniform adequate compensation is incessantly brought before our minds by the multiplying efforts to apply to the rehabilitation of industrially handicapped people the new skill and the broadened resources developed during the War. What is better advertised than the widespread effort to rehabilitate the industrially handicapped? But why do we first allow industry to handicap them?

To get compensation, even where there are laws, always means a struggle. The injured person is hampered by one time-limit within which the application of the victim, whether himself the sufferer, or the survivor of the killed, must be made, and another (fourteen days in New York State) before which his effort *cannot* begin. If the disability lasts no longer than fourteen days the burden must be borne by the sufferer; no compensation is forthcoming.

The injured is further hampered by technicalities in the presentation of compensation claims. Rules there

¹ This change has been made widely known by the publications of Alice Hamilton of the Faculty of the Harvard Medical School.

² See the series of articles entitled "The Iron Man," by Arthur Pound in the *Atlantic Monthly*, 1921-1922.

must be, of course. But many existing ones are indeed hard to explain to the naive sense of justice of young working people.

There is even some danger for the workers to be guarded against where mothers who are entitled to industrial compensation receive civil pensions. If the pension is granted without sufficient investigation, the negligent employer may escape without paying his fair continuing share for the loss of the normal breadwinner. The stimulus to the employing corporation to make the place of work safe is then lost, and the taxpayers' contribution to the welfare of bereft mothers may fail to enable them to remain at home with the children. Because the financial burden here falls in the wrong place, upon the taxpayers instead of the recklessly conducted industry, we see families both receiving allowances from public funds and doing work in the home, mother and children together, for the sweated industries.

It is obviously because they are poor that the mothers are subjected to this. If they were in a position to command wise advice they could better cope with the difficulties of the compensation laws and escape the clutches of the sweating system. Verily the destruction of the poor is their poverty! But why do we Americans allow our industries this unhallowed freedom to produce poverty as a regularly accepted by-product of industry?

WHERE DOES THE TROUBLE LIE?

There is much painful conflict in the public mind. People who have faithfully struggled for effective child-labor laws are asking themselves the question: Is it truly the Constitution which is the enemy of the wage-earning children and therefore of the future of the Republic? Or is it a mere political theory? Or is it the humble willingness of the people

to sacrifice the children to a cynical theory of government?

In general the trouble seems to be twofold. There is this old slaveholders' dogma that the states must be free to make a nation-wide institution of the wage slavery of children as they once attempted to make chattel slavery nation wide. The second element seems to be our callous acceptance of the fact as inevitable and permanent that, throughout wide areas and in many forms of default, industry does not pay its own full costs.

Secretary Hoover recommended to the National Conference of Social Work at Providence on June 27, 1922, that they make one more combined effort to deal with child labor state by state. Then after another demonstrable failure a Constitutional amendment should be tried. This idea is utterly immoral and wrong. The children, according to this, are to go back to their slavery while our nation makes further effort to do the impossible,—to assure to them the equal protection of the law under forty-eight divergent legislatures. After it is conclusively shown that they are again suffering stupefaction and physical injury, the slow task of amending the Constitution may be undertaken.

Morons are now authoritatively described as persons incapable of learning from experience. Should we not show ourselves to be a nation of morons if, after eighty years of effort which we definitely abandoned in 1906 when we introduced the federal child labor bill into Congress, we should now return to that fundamentally discredited method?

The time to save the working children of the United States is now. Underlying everything is the wanton, wholesale sacrifice of their breadwinners. For it is still the rule that fathers maintain their children.

While we enact the amendment we must strive also to remove the evils sketched above. And may we be forgiven if we reiterate the ungracious query: Where have the social workers been throughout the long struggle to compel the guarding of life, limb and health in industry? Who have helped except the American Association for Labor Legislation, the Consumers' League, the Child-Labor Committee, and the labor organizations?

The possibilities of state regulation were exhausted before the federal laws were passed. The possibilities of federal regulation appear to have been, for the present, exhausted. To solve

this grievous moral problem, what remains is, therefore, to enact a federal child-labor amendment. With voting mothers and teachers added to the men who elected the Congress which passed the federal child-labor laws, it is reasonable to hope that the achievement of this amendment may be speedy.

If with the passage of time, and the unimaginable changes in American industry since 1789, the Constitution has become an obstacle to righteousness, as it was once held to be the bulwark of chattel slavery, let us profit by the tragic teaching of the Civil War, and mend our ways and our fundamental law before it is again too late.

The Employers' Responsibility to the Community

By SAM A. LEWISOHN

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IN any discussion of the employer's¹ relation to the community, local or national, we must be careful to keep in mind that he is part and parcel of the community. His relation to it is not to something outside himself, but to something of which he is an essential component. A socially healthy community, local and national, reacts upon his well-being as much as it does upon the well-being of any other member of the community. I emphasize this because there is a tendency in some quarters to regard the employer, particularly in his relation to the local community, as a commanding officer of an army of occupation. His proper rôle is that of an influential citizen and neighbor—a citizen and neighbor possessed of great power for good or evil.

This influence and power comes because under the capitalistic system executive control over production is decentralized, and at least to a large degree is disassociated from our political system. In order to preserve the initiative and adventuring instinct of the individual business man, it has been deemed advisable, particularly in this country, not to impinge upon his sphere of power. This decentralization has its obvious advantages in efficiency, and disadvantages to those who believe in carrying democratic tenets to their logical conclusion. But it is un-

necessary to discuss the pros and cons here.

PUBLIC SERVICE

Now with influence and power come opportunity and responsibility—in this case, of helping the particular community to help itself. I have said opportunity advisedly, for effective public service is always an opportunity. I have said responsibility, for it is a definite duty which cannot be shifted to anyone else; a duty which should be regarded not as a by-product of the business adventure, but as an integral part of that adventure. For a really modern-minded employer realizes that making money is only one part of his activity, and that his position logically includes the responsibility of developing and leading both his internal organization and that portion of the community with which he comes into contact. It is the old story that "charity begins at home," only charity is, to say the least, an inappropriate term. As Mr. Glenn Frank puts it, "Statesmanship in business has come to be adjudged worthier of a real man's mettle than philanthropy outside business." I am thinking of the story related by a liberal English employer. He tried to convert a fellow employer to his point of view in relation to these matters. The answer was "Well, you've got your hobbies and I have mine." Employers must be made to realize that attention to these matters is not a fad but a natural element in their careers as employers. There is little to be said for the theory advanced by negligent employers on one hand, or by some radical doctrinaires on the

¹ When I speak of employer, I refer either to the hierarchy of executives in a corporation or to a proprietor owner. Of course, in the case of a proprietor owner the relation to the local community is apt to be more intimate than that of a large corporation, but the resident manager of a large corporation can and often does act as a substitute for the proprietor owner.

other, that a policy of "hands off" everything which concerns employees after factory hours is desirable or possible.

BUILDING A COMMUNITY

It is unnecessary to go into a detailed statement of the specific problems which face each employer. The main thing is the spirit in which the problem is approached. If the particular industry is located in a community that is already well developed the task of the employer is relatively easy. His relation to it is then that of any other influential citizen, that of helping to develop what has already been established and of acting as a leader. On the other hand, where an industry is located in an isolated region, the employer has the task of building a healthy community from the ground up.

To suggest some of the concrete duties there is first, that of seeing that in some manner proper housing facilities are developed; second, to see that some center, such as a club or Y. M. C. A., is provided for social life, and to do everything else that is possible to promote a healthy social life; third, to see that educational facilities are adequate, including facilities for adult education, particularly in connection with the teaching of English to the foreign-born; fourth, to see that the town is provided with adequate municipal facilities such as streets, sewers, etc.; fifth, in some cases to provide coöperative stores.

In any community developed or undeveloped the situation requires a particularly high degree of tact, for it is very easy to have a desire to serve the community appear to the community like a desire to patronize and dominate. If there is any one thing an employer must remember it is that just because of his position of power and influence

he must be tactful. If I were to add a commandment particularly applicable to employers it would be "Thou must be tactful."

Some employers take a paternalistic Lady-Bountiful point of view. Often it is the very same employer that talks about the necessity of a "sturdy individualism." I have in mind one very well meant experiment in this direction. The company in question bought up the particular town in which they were operating and built quite a remarkable and beautiful town from an architectural point of view; but there was something about the way in which the town was conducted which made every individual in that town feel that he was a minion of the powers that be. For all their trouble instead of a well-satisfied community the employers had created a dissatisfied community. If employers would only exercise a little imagination and cultivate a sense of humor they would steer clear of assuming the rôle of feudal lords. Let them put themselves in the position of the men under them; let them think how they would feel if their positions were reversed; let them think of their youth and their resentment at any interference with their independence, and they will realize how delicate are their relations to the community.

In other cases it is not so much a matter of patronization as that of bad judgment. A Y. M. C. A. was built in a community in which several employers were located and in which the majority of the employees were Roman Catholics. Naturally it was not well patronized. An industrial club in this instance would have been much better. In this particular instance the lack of judgment was self-evident. I cite it to indicate that each situation must be studied separately. This is in no way to disparage the work of the Industrial Y. M. C. A. In fact it has a distinct

advantage—that of not being under company control and of being democratically administered. A Y. M. C. A. is therefore usually much more effective than a company-built club, particularly in a town in which only one industry is located. For no matter how much a company tries to keep its hands off, there is always the suspicion of company control.

HOUSING FACILITIES

The question of housing, of course, is a very difficult one. Company-owned houses have their obvious disadvantages. On the other hand, to leave the problem of housing to outside influences is often obviously ill-advised, and to ask an employee to own his own house is often an injustice for various reasons. Where it is feasible some scheme of copartnership housing should be installed so that the employees have the benefit on the one hand of the feeling of ownership and at the same time know that their ownership is of such an elastic nature that they can quickly dispose of their holdings. Where it is necessary to have the company build its own houses for the community the situation should be handled in such a way that there is no suspicion of patronization.

The specific facilities are not as important as the spirit in which the employer acts. It is human nature, particularly in a democratic country, to prefer inadequate facilities where we feel free from the taint of patronization to adequate facilities which we procure at the cost of being patronized. Normal human beings do not want things done for them. What they desire is an opportunity to do things for themselves. In connection with adult education particularly, care must be taken, as has so often been pointed out, that so-called Americanization work is not conducted in a manner to build up

resistances. If properly led, foreign-born groups will take care of themselves. Anything that suggests discredited "welfare" methods should be avoided.

This is not the place to discuss the relation of the employer to his internal organization but it is of course patent that the end in view—a democratic upstanding local community—cannot be developed unless the internal conditions of the particular industry are sound. Adequate wages, or at least as adequate as possible, reasonable hours of work, a certain amount of security, a voice in determining wages and working conditions through works councils or conference committees, proper upgrading and training systems which serve to make the job a career, modern and well-worked-out personnel administration, in short, everything that goes to make for *esprit de corps* reflects itself in the life of the particular community in which the industry is located. What the relation to trade-unionism should be depends upon the particular circumstances. This is not the place for an extended discussion of this question. Suffice it to say that employers should approach this question in an unbiased, open-minded spirit, which, unfortunately, too many of them have lacked.

Thus far we have discussed the opportunities of constructive leadership that are afforded to employers, the chance to do big things in improving the social fabric. This is the side of the relations of the employer to a community that I would like to stress. But there is another side to these relations which must be viewed, and that is those things which the employer must not do.

RESPECT FOR INDIVIDUAL RIGHTS

Just because the employer has power and influence which are extra-political, he must be scrupulous not to exercise it

so as to impinge upon the political rights of the individual. As an Anglo-Saxon nation we are jealous of these rights. In the interests of efficiency we have given a grant of power to the individual producer and adopted a more or less *laissez-faire* policy. But, on the other hand, we are determined that efficiency does not go so far as to endanger the political rights of the individual. In using the term "political rights" I include, of course, the right to join and assist in the organization of trade unions. It is essential that not only must these rights be preserved but there must not even be a remote feeling that there is any tendency to coerce or dominate. This principle is particularly true of the relation of the employer to the local as distinguished from the larger community. I am not here referring to gross violations of these rights involving the use of physical coercion. Nor am I referring to any attempt to interfere with free speech or free assemblage by the improper use of local authority. It seems superfluous to comment on such flagrant and indecent transgressions of the spirit and the letter of our institutions. Aside from its inherent viciousness, the instigation or countenancing of such methods on the part of men supposed to be leaders, lays the foundation for general disregard of law and order. In spite of the wide publicity they receive, such violations are, I think, rare in proportion to the great bulk of our industrial activity. I am referring to more subtle and indirect infractions.

Closely akin to this duty of employers not to encroach upon the political rights of the individual is their duty not to infringe on the social freedom of a community or of their employees. It is of course perfectly proper for an employer, and in fact his duty, to exercise his influence in an open manner and to attempt to create a common-sense

point of view in various matters. A "hands-off" policy is undesirable as I have indicated above. He must be careful, however, not to create the impression that he is trying to take advantage of his position.

As a business man, I realize the difficulties that must be faced by any enterprise in its relation to the local community. There are often demagogic and other influences which attempt to stir up trouble for an undertaking that has every right to be protected, but the fact that there are difficulties to be faced is no reason for acting in a tactless, arrogant spirit. Any modern employer conscious of the spirit of the times—conscious that feudalism is a thing of the past—will be able to act as a real leader of affairs in his community. If the community once realizes that no attempt at paternalism is made, it is comparatively easy to obtain its respect and loyalty.

And here let me suggest that the deleterious effect of capitalistic exploitation as such, upon individual and social life, is largely a figment of the imagination of those who have stressed this view. Even where conditions are unfavorable and the management has been harsh and unprogressive, life in a backward farming community is raised by the introduction of industry. I have one particular incident in mind where a "hill-billy" from a West Virginia town where abuses of various kinds existed, even though he complained of the unfair methods used by the employing groups, testified to the great improvement to his personal development that had been brought about by the opportunity afforded him.

In any event, where the management has been progressive and alive to its opportunity for leadership, the standard of the community is often raised to a very marked degree. As a graphic example I might mention a certain

community which has been established in a locality where there was formerly only very sparse farming. The entire community has been developed and improved socially and morally. This particular industry from the beginning has only paid about 3 per cent on capital to the stockholders but has paid \$22,000,000 in wages over a period of 22 years. In this particular community there has been built up a real feeling of loyalty to the company but the relation is not a feudal one. There has been no suspicion of patronization. The company has been careful to respect the sensibilities, social, political and otherwise, of the people in the community. The result is an upstanding community and a sound situation for the company generally.

To sum up the preceding discussion, the relation of the employer to the community is of a dual nature. There is an affirmative side in the opportunity afforded of acting as a center of activity in the moral, social and cultural development of the country. There is a negative side in the obligation not to use the power inherent in his position so as to encroach upon the sphere of political rights of the individual. In both phases the exercise of tact and imagination is an essential element.

Unfortunately there are far too few employers who follow these principles, though it is impossible to make a quantitative estimate. What we need here, as elsewhere, is a process of employers' education.

Labor's Responsibility to the Community

By REV. JOSEPH HUSSEIN, S. J., Ph.D.

Associate Editor, *America*

PROMOTION of the common welfare is equally the duty of all classes of society. "Each for all and all for each" is the only acceptable ideal for any commonwealth. All just rights, whether of individuals, private groups, or the community, are sacredly to be guarded; yet in every clash of economic interests those of a merely private nature must invariably yield to the demands of the common good. Such are the first principles of social life on whose recognition human welfare depends.

There is clearly no difference in the binding force of these principles as they apply to capital and labor. Yet in each case they carry with them a distinctly different group of responsibilities. Those only which concern labor's relations towards the community are under discussion in this article. It is not possible, however, to treat of these without occasional reference to the collateral responsibilities of capital. Together they are like woof and thread of one fabric.

To the observer acquainted with the almost invariable indifference displayed in our day by capital and labor alike towards the common welfare, when personal or group interests come strongly into play, the social code set at the head of this article may appear more idealistic than practicable. It can readily be admitted that such will, indeed, be the case so long as religion is left out of count. To attempt to reconstruct society upon any other foundation than that which God Himself has given can end only in the erection of social and industrial Babels. Reason and experience teach us this.

Higher sanctions are required than sociology and legislation alone can afford.

THE MEDIEVAL GUILDS

Yet that the observance of the code I have outlined is not impossible can readily be made clear from a brief consideration of the medieval guilds which are now attracting the attention of social students throughout the world. They are doubtless the best instances of labor's fulfilment of its responsibilities to the community. A short description of them from this point of view may serve as the best introduction to our subject.

In carefully studying the statutes of a vast number of medieval guilds, nothing impressed me more strikingly than the paramount consideration everywhere given by them to the public good, and the constant subordination to this of both personal and group interests on the part of the guildsmen. These workers were not merely producers. They both made and sold their products. The inexorable elimination of the middlemen, wherever possible, was only part of their wisely premeditated plan to prevent high prices and preserve for the worker a reasonable remuneration. Similar restrictions, successfully confining the expansion of individual manufacturers to the limits prescribed by the common good at that stage of industrial development, made private ownership possible for every craftsman who by training, character, and thrift, proved himself worthy. By this vision and foresight the medieval craftsman served both his own interests and

those of the community. With changed industrial conditions, new applications, it is clear, must be made of the same unchanging principles. The purpose of the guildsmen was always the widest diffusion of private property and industrial control, together with the best service of the public.

Responsibility towards the community was further manifested by these guilds of craftsmen in their scientific systems of relief and prevention, in the hygienic regulations often drawn up by them, in the methods of avoiding the modern plague of unemployment, in the building of bridges and the repairing of roads, in the promotion of municipal, charitable, educational and religious enterprises of every kind. It was manifested even more strikingly in their insistence upon just prices, the rightful adjustment of wages, the proper protection and training accorded to apprentices, and the examination of tools and prevention of night work that no defective wares might be offered the consumer.

Yet in all these regulations, approved by public authorities and firmly enforced by the guild courts and officials, these workers seemed mainly concerned with placing restrictions upon themselves in the interest of the community. They possessed the intelligence to understand that after all they themselves constituted the bulk of the community, and that in safeguarding just prices, fair wages, true weights, measures, and qualities of goods they were ultimately promoting their own interests. The dominant question never was "How much can we safely demand?" or "How little can we give for what we receive?" They rather searched their consciences to ascertain what they might consider a just, but also a sufficient remuneration for their labor, and what amount

and quality of service the public should rightly be accorded in return.

Like all things human, the guilds had their faults and shortcomings, their centuries of high achievement and their stages of gradual decline. Yet such as here described were the ideals they sought to follow in their long period of splendid development based on Christian principles. Offenses against the common welfare and labor's responsibility to the community were even then committed, but they were promptly punished by the guild itself, and no false class or group consciousness was permitted to shield the offender. This was true so long as their religion remained the inspiration of the guildsmen.

APPLICATION OF GUILD PRINCIPLES TO LABOR TODAY

"All this is well," a laborer may perhaps reply, "but we, unfortunately, have fallen upon other days. You are picturing the period of brotherhood and medievalism. We are living in the iron age of capitalism and the machine. We are organizing and fighting for our rights in a jungle war where religion does not count, but the dollar is almighty. The iron heel of an industrial czarship is set upon the neck of labor unionism itself. In those earlier days there was joy in labor. Men had hopes that might in time be realized. But what are we save the dull slaves of the machine in an age that thinks of nothing but dividends, and reinvestments, and still greater dividends?"

All this sounds plausible and in a measure is but too true. And yet the same high principles can be followed by labor today, and hopes not unworthy of its dignity can be realized even in our age of large scale industry and mammoth enterprises. But in seeking to achieve its highest aims let labor

never shirk its responsibilities to the community. It is true in many ways that men must find their lives by losing them, even as did the medieval guildsmen. So far from wishing to restrict the guilds, municipalities not seldom eagerly promoted or even demanded them. For in the best days of guildhood these organizations were a surety of honest treatment. Today, labor's full compliance with all its obligations to the community will be no less the safeguard of labor unionism, even as the scandals of a few disreputable leaders or lawless members, allowed to go unpunished by organized labor or even perhaps defended by it, bring disgrace and possible failure to the entire cause.

LABOR'S RESPONSIBILITIES TO THE COMMUNITY

But what are labor's responsibilities to the community? Let us briefly consider them as they come to mind.

Fidelity to pledges.—The first to suggest itself is inviolable fidelity to its pledged word as given under no wrongful social compulsion. Every trouble that arises out of dishonesty or any other offense, on the part either of labor or capital, is likely to cause inexcusable harm and suffering to the community. In its violation of pledges capital has often sinned shamelessly and scandalously. We have still fresh in mind the broken pledge of the coal operators and their pitifully specious excuses. But labor too has its own sad record. It is not my purpose to balance these transgressions, but they rightly alienate public sentiment. Unreasonable as it is, I have known men to be prejudiced against the entire organized labor movement owing to broken contracts on labor's part, apparently overlooking the monumental offenses of capital.

Moderate demands.—In the second

place, responsibility to the community implies that labor's demands be kept strictly conformable to the public good, whether there be question of wages, hours of work, or other subjects of industrial dispute. Again let us hasten to admit that the great incentives to excessive demands are the robber methods of so many trusts and corporations, the enormous gains expressed through highly watered stocks and unjust prices, the greed for interminable dividends, the exploitation of the people by cliques of unconscionable bankers in control of some of the country's most necessary services, and the unearned income often spent in luxury. Says a writer in a Socialist publication:

So long as human parasites enjoy huge unearned incomes no demand put forth by a group of producers can be considered excessive. If the locomotive engineers of America, for instance, should demand a yearly wage of \$100,000 they would have an infinitely better moral title to this sum than the young tailor's models who stroll about the streets of New York and supply copy to harassed fashion editors.

To grow indignant at labor's excessive demands, when such may be made, and ignore the excessive gains and violations of stewardship on the part of capital, is morally dishonest. Yet all employers are not unjust and all profits are not excessive, while the exploitation of the public that is certainly practiced often enough by capital cannot justify an equal exploitation of the same suffering public by such sections of labor as may find themselves in a situation to prey upon their fellows. It is the public, let us understand, which must pay the ultimate cost of the excessive demands, whether of capital or labor, or both combined, and the public signifies mainly the great body of workers and their families. The excessive wages of

one group of workers are finally drawn from the purses of the economically weaker groups. Labor cannot correct our economic abuses by becoming a party to them. Until we can bring about a more reasonable system than the present, a system of coöperation based on the widest diffusion of private property, both consumptive and productive, let us by all means do all we can to restrict the usurious gains of those capitalistic interests that act without conscience or remorse, but, while doing so, let Christian capitalists and laborers keep their own escutcheon white. There is a just ethical wage, which does not exceed what an industry can bear, as there is a just ethical price.

What is true of excessive wages is equally true of unreasonable demands regarding hours or conditions of labor. Well-meaning employers are often harassed to death by the silly and tyrannous exactions of labor organizations or business agents. Reputable business men are damaged regardlessly because unions quarrel among themselves. Output is scientifically restricted to the extent at times of driving honest contractors into bankruptcy. Conscientious workers are forced to slacken the services they are but justly rendering. By the latter practices the public is no less surely defrauded than by the most shameless methods of stock-watering, since in either case the community must pay for what was never given to it. What matter whether there is question of capital-stock or labor-stock, of drawing profits or wages? In either case, no equivalent is given for the money exacted from the long-suffering public.

Just cause for strikes.—In the next place let me call attention to the question of strikes. No one can deny to labor the right to strike any more than the right to unionize. Both

must be firmly maintained by everyone who has a sense of democratic freedom and of Christian liberty. It is not the weapon of the strike, but its unwarranted or wrongful use that constitutes a violation of labor's responsibility to the community. I may be pardoned for briefly quoting from my volume on *Democratic Industry*, (p. 354), the ethical principles regarding the ordinary strike or lockout.

Strikes are permitted for a grave and just cause, when there is a hope of success and no other satisfactory solution can be found, when justice and charity are preserved, and the rights of the public duly respected. Conciliation, arbitration and trade agreements are the natural means to be suggested in their stead. Hence the utility of public boards for this purpose. As in the strike so in the lockout, a serious and just cause is required, and the rights of the workers and of the public must be respected. Charity is far more readily violated in the lockout than in the strike, because of the greater suffering likely to be inflicted on the laborer deprived of his work than on the employer.

The immense suffering likely to result both for the workers and the community from the sympathetic strike, and the injustice that may be done to innocent employers, make clear the care with which moral principles must be consulted before taking recourse to such a measure. The subject, so profoundly involving the interests of the community, is too complicated to be entered upon here. For a discussion of it, I may refer to McLean's (*The Morality of the Strike*) or to my own chapter upon it in *The World Problem*.

There is much more that might here be said upon such intensely vital questions as the limitation of apprentices, the closed union as well as the closed shop, when admission is made unduly difficult, the extension

on the other hand of union privileges to the unqualified, and an endless series of such like problems in which the public welfare no less than personal rights of individuals are at stake. But the principles already laid down must suffice. The laws of Christian charity and of social justice must be observed no matter what may be the provocation.

Choice of leaders.—From all that has been said one thing stands out clearly. It can no more be overlooked than a mountain promontory blazing in the noonday sun. It is the supreme responsibility of labor in making choice of its leaders. The union is confronted here with a social no less than a personal responsibility. Its "business agents" must be worthy of the enormous trust confided to them, and its high officials more than self-seeking politicians. Not merely have the former often proved themselves morally unfit, while some few of the latter have even been outright criminals, but in spite of the jail-bird character of such men, they not seldom counted a large following and were strongly intrenched in their unions. "Big Tim" Murphy of Chicago, arrested and indicted scores of times, and sentenced for complicity in mail robbery, was still thought good enough to retain his position as president of the gas workers' union. Similar instances might be multiplied, and worst of all, capital itself has set its hired spies within the unions. These men invariably seek for positions of leadership that they may the more effectually play their Judas' part and demoralize the labor movement. No one regrets such conditions more than the honest laborer, but regrets cannot suffice. They will not correct the evil, which is a public menace wherever it exists.

In this same connection, let it be firmly said that there is too much condonation of lawlessness. I have a

right to say this, since no one has more carefully pointed out than I have done in repeated articles the unfairness displayed towards labor unions in the charges of violence brought against them, and the false judgments passed upon them by the public. Yet it is a fact, for instance, that even after those murderous crimes committed by the McNamaras had been openly confessed and punished, the Indianapolis Iron Workers' Union cast the robe of sanctity around them by proclaiming that "Brother (John J.) McNamara has been for years and still is an honored member" of their organization, while it pledged to him and the other "imprisoned brothers" its "loyalty and support."

Coöperation.—While much remains to be said, let it suffice to point out in conclusion labor's great possibility of rendering one of the most valuable of all its services to the community by an intelligent support and promotion of coöperation. In this movement labor is fortunately taking an increasing interest. Many hundreds of millions of dollars are yearly handled, wisely and conscientiously, by labor's most carefully selected representatives in the British consumers' coöperatives. Similar developments are taking place in other countries. In America, too, coöperative enterprises of every kind are daily increasing in number and prosperity, although due discrimination has not always been exercised.

The coöperative movement is strictly a workingmen's undertaking. In its nature it is not remotely connected with socialism or Red radicalism, though these may seek to control it. Like the medieval guilds, whose nearest analogy it is, true coöperation is based upon private ownership by the many instead of the few. It has won its way by superior efficiency and not by violent revolution. Let its pro-

moters refrain from ever connecting it with revolutionary propaganda of any kind. And yet it may prove to be the most successful effort towards an intelligent transformation of our system of large scale industry, substituting production for service in place of production for profit. It implies no sudden cataclysmic changes that leave a world sunk in misery, but is a gradual and steady development that spends its blessings as it grows and prospers, like a fruitful tree by the running waters.

I am promising the reader no delusive utopia, no world here below where the wicked cease from troubling and the weary are at rest. Such did not exist in the days of the medieval guilds and will not exist even in the most perfectly developed system of Christian coöperation in the future. But there is one thing that is essential if we would

approximate as closely as possible to such a happy state, and that is religion. If we look upon man as no more than the developed brute, a conclusion equally abhorrent to science and philosophy, if we remove the Divine from the laborer's horizon, it will be absurd to speak of any responsibilities on his part to the community or to his fellow-man. We can then but resign ourselves to a perennial state of jungle war in which the economically strongest, the most relentless and unscrupulous will survive to continue their selfish quarrel with each other, whether for wealth or power, as the case may be. Let there be no mistake that of all the workers' obligations the greatest is their responsibility to the Almighty Maker. Being true to this, they will be true to themselves and to their fellows. Failing in this, they will fail in all things.

The Teaching of the Catholic Church

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WHY should the Church have anything to say about the relations between capital and labor? Are not these purely economic arrangements, and as such outside the province of a religious society? These questions imply a misconception which Pope Leo XIII noted as very common, but which he promptly rejected. In his words, "the social question . . . is first of all a moral and religious matter, and for that reason its settlement is to be sought mainly in the moral law and the pronouncements of religion."

To any reflecting mind the truth of this statement is obvious. Industrial relations are human relations; they involve human actions; therefore, they are subject to the moral law. They are either morally right or morally wrong. Inasmuch as the Church is the accredited interpreter and teacher of the moral law, her authority and function in the field of industrial relations are quite as certain and normal as in domestic relations, or in any other department of human life.

The principles which underlie the teachings of the Church on industrial relations are found in the Gospel of Christ and in the moral law of nature. One of these is the principle of justice. Its basis is found in Christ's teaching on personality. Every human being has intrinsic worth, has been redeemed by Christ, and is destined for everlasting union with God. In the eyes of God all persons are of equal importance. Neither in industry nor in any other department of life may one man be used as a mere instrument to the advantage of other men. Industrial, no less than all other relations, must be so

organized and conducted as to safeguard personality and afford to all persons the means and conditions of life as children of God. The principle of charity or love is even more conspicuous in the teaching of Christ. If it were honestly and adequately applied in the dealings of employer with employee there would be no unsolved problem of industrial relations.

It is beyond the scope of this paper to describe the extent to which these two great principles have been developed and applied in the various forms of industrial relations since the beginning of the Christian era. By way of historical summary it will be sufficient to recall that the doctrine of the Catholic Church on this subject has exhibited great consistency and continuity throughout the whole period. The discouragement of slavery and serfdom, the insistence upon risk and labor as the chief claims to economic rewards, the doctrine of the just price, the regulations and ideals of the guilds concerning labor organization, good workmanship, reasonable hours, provision against sickness, etc., were the medieval expression of the traditional doctrine. Its first systematic adaptation to the conditions of modern capitalism occurs in the labor program of the German, Bishop Ketteler. In this program we find demands for the prohibition of child labor, of unsuitable woman labor, of unsanitary labor and of Sunday labor; for the legal regulation of working hours; for insurance against sickness, accidents and old age; for state factory inspectors; for general increases in wages; for the legal protection of workingmen's cooperative associations;

and for several other industrial reforms. More than once Bishop Ketteler declared that there was nothing new in his industrial views and proposals, that he had drawn them all from the storehouse of patristic and medieval doctrine.

ENCYCICAL OF POPE LEO XIII "ON THE CONDITION OF LABOR"

Less than fourteen years after the death of Bishop Ketteler, Pope Leo XIII issued his great encyclical, "On the Condition of Labor" (*Rerum Novarum*, May 15, 1891). Previously he had referred to Bishop Ketteler as, "my great precursor." The principles which the illustrious Bishop of Mainz enunciated and applied, Pope Leo reiterated, developed, systematized and brought into more specific relation to current industrial conditions, practices and institutions. While two of his three successors (Pius X and Benedict XV) have made pronouncements upon various phases of industrial relations, they have both expressly disclaimed the intention of adding anything essential. Therefore, the authoritative teaching of the Catholic Church on this subject can all be found in the encyclical "On the Condition of Labor." In that document we find not only the general principles but a considerable measure of concrete application.

Having rejected and condemned socialism as a remedy for industrial ills, the Pope explicitly asserts his right and authority to lay down principles for the guidance of the two great industrial classes, "for no practical solution of this question will be found apart from the intervention of religion and the Church." This is a clear challenge to and condemnation of all those selfishly interested persons and all those sincerely ignorant persons who say or think that "the Church ought to keep

to spiritual matters and not meddle with business or with industrial matters."

The Pope then takes up the social principles of the Gospel. Equality of human conditions is impossible. No kind of social organization can drive pain and hardship out of life. Capital and labor are not necessarily hostile to each other, but are mutually dependent. Religion teaches the laborer to "carry out fairly and honestly all equitable agreements," to refrain from injuring persons or property, and to avoid men of evil principles. Religion teaches the employer to respect the dignity of his employees as men and Christians, to refrain from treating them as "chattels for the making of money," to pay them fair wages, to give them sufficient time for religious duties and not to impose tasks unsuited to sex, age or strength. Those who are rich should regard themselves as stewards, charged with the duty of making a right use of their wealth for themselves and others. Those who are poor should realize that their condition was adopted and blessed by Christ Himself, and that the true worth of man lies not in his material possessions but in his moral qualities. Both classes should always bear in mind that they are children of the common Father and heirs of the common heavenly kingdom.

So much for the general Christian principles. The man who considers them fairly and adequately will be compelled to answer in the affirmative the question with which Pope Leo closes this part of the encyclical: "Would it not seem that, were society penetrated with ideas like these, strife must quickly cease?" The process of "penetration" is, however, retarded by two very formidable obstacles. The first is wholly moral; the second, partly moral and partly intellectual. The practice of justice and charity in in-

dustrial relations is greatly and frequently prevented and impeded by deliberate selfishness and flagrant bad faith. More often, perhaps, the current injustice and uncharity are due to culpable or inculpable ignorance. Many men accept the principles of justice and charity as applicable to industrial relations, but do not realize that they are violating the principles in their industrial practices. For example, an employer admits the obligation of paying "fair wages," but refuses to exceed the inadequate rate that is frequently determined by the immoral forces of supply and demand. An employee is willing to carry out "equitable agreements," but "loafs on the job" because he thinks that his wage contract is not equitable. An employer admits that the precept of brotherly love is as pertinent to the employment relation as to the neighborhood relations, yet he exploits little children for profit or maintains an unsanitary workshop. An employee clamors for the application of the Golden Rule to industry, but does not scruple to cause his employer great inconvenience by absenting himself from work for a trivial reason. Such ignorance of the practical application and practical obligations of moral principles in the field of industrial relations is sometimes quite unconscious and unsuspected by the person whom it affects and afflicts. Sometimes it is culpable, at least to this extent: the misguided person suspects that his conduct is not entirely consistent with the general principles of justice and charity, but he fails to investigate its moral aspects because he is indifferent, or because he is afraid that the results might disturb his conscience.

This condition and this need Pope Leo meets by a fairly specific application of general principles to particular situations. "Fairly specific," because many of these declarations are still

somewhat general in character. However, this was unavoidable in a document which was written for the industrial conditions of all countries, and which endeavored to treat all the great moral problems of industry within the compass of an encyclical letter. Nevertheless, the Pope's pronouncements on the most important phases and the most acute problems of industrial relations are sufficiently specific to provide clear and adequate guidance to all men of good will. The other kind of men are beyond the reach of instruction and argument. They can be moved only by fear. They will respond only to the denunciation of the prophet, or the coercive power of the State.

TEACHINGS OF THE ENCYCLICAL

The specific teaching of the encyclical can be summarized under the heads of wages, labor organization, state intervention and private property. Each of these topics will be dealt with briefly.

Wages.—Justice in this matter is not realized through mere freedom of contract. While worker and employer "should, as a rule, make free agreements concerning wages, there is a dictate of nature more imperious and more ancient than any bargain between man and man, namely, that the remuneration must be sufficient to support the wage-earner in reasonable and frugal comfort. If through necessity or fear of a worse evil the workman accept harder conditions because an employer will give him no better, he is made the victim of force and *injustice*."

This is the doctrine of the living wage. Pope Leo does not say that it represents complete justice. It is merely the minimum of justice, the amount that is ethically due to every wage-earner by the mere fact that he is a human being, with a life to maintain, and a personality to develop. The special qualifica-

tions and claims which entitle men to more than the minimum of justice, such as skill, hazard, responsibility, cost of training, etc., are not formally considered in the Pope's discussion. The living wage that he has in mind is an amount sufficient not merely for the worker himself, but also for the proper maintenance of his family. Such is the law of nature, and such is the interpretation evidently put upon the phrase by Pope Leo himself.

That the living-wage doctrine continues to have great practical importance, is shown by the following deplorable facts: the majority of laborers, even in the United States, receive less than living wages; probably the majority of employers reject both the principle and its application, still adhering to the idea that wage justice is determined entirely by the operation of supply and demand; the principle was deliberately ignored by an important public tribunal, a few months ago, in fixing the wage rates of many thousands of employees on the railroads. How profoundly industrial relations would be transformed and how greatly they would be improved, if this one doctrine were universally accepted and translated into reality!

Labor Organization.—The Catholic Church has always regarded organization, whether of employees or of employers, as the normal condition. She has never accepted the philosophy of individualism and unlimited competition. Pope Leo deplores the disappearance of the ancient guilds, and expresses gratification over the existence of various forms of workmen's associations; "but it were greatly to be desired that they should become more numerous and more efficient." Men have a natural right to enter them, a right which cannot be annulled by the State. "We may," says the Pope, "lay it down as a general and lasting

law, that workingmen's associations should be so organized and governed as to furnish the best and most suitable means for attaining what is aimed at, that is to say, for helping each individual member to better his condition to the utmost in body, mind and property." On the other hand, Pope Leo denounces those societies which "are in the hands of secret leaders, . . . who do their utmost to get within their grasp the whole field of labor, and force workingmen either to join them or to starve."

The first of the two passages just quoted implicitly, yet unmistakably, condemns the insidious "open shop" campaign, and every other movement which seeks to render the unions ineffective, by denying the right of adequate collective bargaining. In the words of the Pastoral Letter of the American Hierarchy, the workers have a right "to form and maintain the kind of organization that is necessary and that will be most effective in securing their welfare."

Pope Leo makes more than one reference to joint associations of employers and employees, "which draw the two classes more closely together." The underlying principle is exemplified in joint conferences for the establishment of trade agreements, and in shop committees, works councils and other arrangements for increasing the control of labor over employment conditions and industrial operations. Upon the application and extension of this principle and these methods depends to a very great extent the attainment of industrial peace.

The Function of the State.—Under this head Pope Leo lays down one general principle and several specific applications. "Whenever the general interest or any particular class suffers or is threatened with injury which can in no other way be met or prevented, it

is the duty of the public authority to intervene." No more comprehensive authorization of State intervention could be reasonably desired. Applying the principle to industrial relations, Pope Leo declares that the poor "have no resources of their own to fall back upon, and must chiefly depend upon the assistance of the State." Continuing in more particular terms, he says that the law should forestall strikes by removing the unjust conditions which provoke them; protect the worker's spiritual welfare, and his right to Sunday rest; restrict the length of the working day, so that men's labor will not "stupefy their minds and wear out their bodies"; prohibit the employment of children "in workshops and factories until their bodies and minds are sufficiently developed"; prevent the entrance of women into occupations for which they are not fitted; and provide all classes of workers with "proper rest for soul and body." While the Pope does not explicitly declare that the State should enforce a living wage, he clearly indicates that such action should be taken in default of effective voluntary arrangements.

Diffusion of Property.—Those students and thinkers who believe that industrial relations will not be stabilized nor industrial peace assured until the wage-earners become to a great extent participants in the ownership of industry, will find considerable encouragement in Pope Leo's declarations on private property. To represent these as merely a condemnation of socialism, as merely concerned with the *institution* of ownership and not with its *distribution*, is highly misleading. The whole argument of the Pope on this subject manifests a strong appreciation of the benefits which private property brings

to the individual workingman. Hence the policy of the State should be "to induce as many as possible of the humbler class to become owners." As a consequence, "property will become more equitably divided," and "the gulf between vast wealth and sheer poverty will be bridged over."

The Pope's observations on this subject afford little comfort to the defenders of industrial autocracy. He deplores the division of industrial society into two classes, one of which "holds power because it holds wealth; which has in its grasp the whole of labor and trade; which manipulates for its own benefit and its own purposes all the sources of supply, and which is even represented in the councils of the State itself."

Referring to the wide extension of ownership in the later Middle Ages, the Pastoral Letter of the American Hierarchy declares: "Though the economic arrangements of that time cannot be restored, the underlying principle is of permanent application, and is the only one that will give stability to industrial society. It should be applied to our present system as rapidly as conditions will permit."

To sum up: Now as always the Catholic Church conceives her mission as that of saving souls. Men save their souls by conducting themselves righteously in all the relations of life. Among the most important of these relations are those that we call industrial. If the Church did not provide guidance in this field she would neglect one of her most important duties. If the principles and proposals contained in the encyclical, "On the Condition of Labor," were carried into effect our industrial society would be improved immeasurably.

The Teaching of the Protestant Church

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THE teachings of Protestant Christianity on any particular subject lend themselves much less readily to exact statement than those of the Catholic Church. This is due in part to the great variety of communions in Protestantism which do not closely agree among themselves. One of the earliest notable statements of the Church's relation to industry recognized this limitation. "The Protestant churches of the United States have had, until now, no authorized common ground. Labor, industrial workers, trades unions, have discussed that attitude of 'the Church,' and the whole body of believers has, theoretically, been included. As a matter of fact, 'the Church' has been some individual organization, some one of the denominations or some voluntary assemblage, non-representative and without authority."¹ Aside from this limitation there is a tendency in Protestantism to be less specific in ethical precepts and to deal with moral questions, whether individual or social, in universal rather than particular terms.

Probably it must be admitted, too, that the Protestant communions have been much slower in coming to conscious recognition of industrial problems as calling for a specific treatment by the Church. Spiritual responsibility for a very large section of the working world has given rise to a body of Catholic doctrine bearing upon industrial conditions and relations that is quite without parallel in Protestantism. Moreover, the authority of the Church in matters

generally referred to as "temporal," rather than spiritual, has been steadily disputed in Protestantism, and a clear interpretation of scriptural teaching on industrial problems has been consequently slow in forming.

Yet there is a body of doctrine, gradually taking form in the Protestant churches, which represents an effort to express Christian principles in terms of the working life of the people. This body of teaching has no uniform vehicle of expression, although the "Social Ideals of the Churches" are an approach to a Protestant statement of social faith with particular reference to industry, and are, in fact, commonly referred to as the "Social Creed." This declaration, which is by no means complete or adequate, cannot be said to be fully authoritative since not all the Protestant bodies have accepted it. It must be admitted also that those denominations which have ratified it do not consider it as having the same weight as a statement of theological faith. Nevertheless, it constitutes a definite approach to a statement of Christian principles in relation to industrial life.

Ecclesiastical developments within Protestantism have had a palpable effect upon the application of ethical principles to economic and industrial problems as far as the authority of the Church is concerned. The increasing assumption of power by the laity in Protestantism has put the determination of the Church's official attitude and effectual teaching more and more in the hands of men whose primary interest and activity have been in the sphere of practical business. "The

¹ *The Church and Modern Industry*, page 7. Federal Council of the Churches of Christ in America.

Church as an owner and an employer," said the Federal Council of Churches in this connection, in 1908, "gravitates naturally toward the position where men of business experience and ample resources come into leadership."

This has inevitably put a check upon the elaboration of Christian teaching in social terms, a development which has had freer course in the Catholic Church. Thus it happens that the Catholic Church, which has maintained the doctrinal tradition of Christianity substantially unmodified and which therefore appears to be theologically conservative as compared with Protestantism, is at the same time more liberal in its explicit teaching with reference to matters economic and industrial.

PROTESTANT INDIVIDUALISM

Protestantism was originally, of course, an individualistic reaction. One of the principles of the Reformation was the "universal priesthood of believers." As a corollary of this principle, Protestantism necessarily lays emphasis upon the immeasurable worth of the individual life. One consequence of this emphasis has been unfortunate. Undoubtedly the development of the *laissez-faire* theory in economics, with the inevitable result of unrestrained privilege, is in part due to the strong individualistic tradition of Protestantism, particularly in its Calvinistic form. A more legitimate and, it is to be hoped, more permanent product of our Protestant tradition is the growing insistence upon regard for the principle of the worth of personality in the distribution of wealth, opportunity and power.

Thus there are two contrary influences in Protestant tradition having to do with the individualistic emphasis which characterized the Reformation. One has facilitated the development of that extreme individualism which

marks the capitalistic order, while the other has opposed this tendency by putting forward the claim of every individual to be free from the encroachments of any individual. The latter influence is coming to overbalance the former in modern, as distinguished from early, Protestantism.

Protestant teaching, then, concerning industrial questions, is crystallizing around the doctrine of the worth of the individual as the possessor of personality. This is taking place largely by way of protest against the tendency of modern industry to submerge the individual in industrial mechanism. Protestant leaders are identifying Christian teaching concerning human life and human relations with the claims of democracy. This change of interpretation is the natural outcome of wholly unofficial but virile and influential movements with which are connected the names of such great religious leaders as Charles Kingsley, Frederick W. Robertson, Frederick Denison Maurice, Canon Barnett, Washington Gladden, Josiah Strong and Walter Rauschenbusch. In its beginnings the Methodist movement, led by Wesley and his associates, although it did not come to consciousness in the sphere of industry, contributed to a growing concern for the well-being of every individual regardless of social status. The Baptist and Congregational churches have contributed notably to the conservation and carrying forward of democratic traditions.

ACTIVITY OF AMERICAN CHURCHES

The first conspicuous signs of a definite concern with matters economic and industrial within Protestantism as a whole, appeared in this country in 1908 when the Federal Council of the Churches of Christ in America was formally organized, and authorized the creation of a Commission on the Church

and Social Service. This Commission was instructed to "recognize the import of present social conditions" and "especially to secure a better understanding and a more natural relationship between workingmen and the Church."

The statement announcing the creation of the Commission declared that "there are many phases of the present industrial conditions in the United States which cry aloud for immediate remedy. The Church, which has obligations to every sort of interest and person in the community, must be identified, locally and nationally, with the whole of the people more markedly than with any part of them, and will be sensitive to every influence which affects the larger constituency." And again, "multitudes are deprived, by what are called economic laws, of that opportunity to which every man has a right. When automatic movements cause injustice and disaster, the autonomy should be destroyed. That to these impersonal causes are added the cruelties of greed, the heartlessness of ambition and the cold indifference of corporate selfishness, every friend of his fellow must with grief and shame admit." Thus the foundation was laid for the developments of the intervening years. The Social Creed of the Churches, whose formulation was commenced in 1908, attained its present form in 1912 and was further interpreted in the light of present problems by the four resolutions of 1919 dealing with the requirements of industrial democracy. Twelve of the sixteen articles of this Creed have definite reference to industrial conditions and relations.¹

By way of reinforcement of the Social Ideals of the Churches, liberal pronouncements have been made by the Board of Bishops of the Methodist Episcopal Church, the National Coun-

cil of Congregational Churches, the General Assembly of the Presbyterian Church, the Northern Baptist Convention, the Methodist Church of Canada and other communions. The sixteen articles of the Social Creed have been ratified by the Young Men's Christian Association, while the Young Women's Christian Association has ratified not only the Creed but the four supplementary resolutions as well.

In 1920 the Committee on the War and the Religious Outlook, created jointly by the Federal Council of Churches and the General War Time Commission of the Churches, published *The Church and Industrial Reconstruction*² which, while unofficial, has been accepted as a summary of liberal Protestant thought concerning industrial problems. In this formulation the teaching of Christianity which bears upon industrial problems is held to be threefold:

1. The intrinsic worth of personality. This gives to every individual "distinct and measureless value as a child of God and a potential member of His Kingdom."

2. The organic unity of human society. "Personality can fulfill itself only in a social setting, its values be realized only in fellowship." Thus the ideal of human life is the universal brotherhood.

3. The motive of service. This means that "property is to be subordinated to spiritual ends," that it has "social significance as expressing a responsibility for service," and that claim to it is justified only when based upon service rendered.

By way of application of these principles, the writers of the book insist first that the Christian conscience must judge the holding of property on the basis of its use; that is to say, property that is held with reference to the power and advantage which accrue to the owner rather than to its social usefulness violates a spiritual principle. As to the wage system, it is recognized

¹ The document appears in full on page 126.

² New York, Association Press.

that the wageworker does not possess economic freedom. The law of supply and demand as applied to labor is declared to be unchristian. Every occupation should furnish to the worker not merely a livelihood but the greatest possible measure of creative satisfaction. Competition is considered permissible from a Christian point of view if it is primarily competition in service or in achievement, but never if it has reference solely to pecuniary reward. Especially is it to be condemned if it leads to the establishment of permanent privilege and advantage. The seeking of private profits as a "primary motive in economic competition" must be regarded as inconsistent with Christianity. As a struggle for the larger share of the world's wealth, in which human beings are pitted against each other, it must be abandoned if Christianity is to prevail. In short, this formulation of Christian teaching insists that the present industrial system is defective because of the undue stimulus which it gives to selfish motives.

It is asserted further that Christianity prescribes not only the goal of social effort, but also the method of true progress. That method involves first, the development of love as the inclusive principle which conserves personal values, promotes brotherhood, and practices service; secondly, the promotion of faith in the triumph of the divine will in the world, which implies likewise faith in human nature; and, finally, the direction of spiritual growth through education.

The Church and Industrial Reconstruction calls upon Christian employers to give new recognition to the spiritual worth of their employees and particularly to the principle of collective bargaining and the sharing of the management of industry. Christian investors are urged to assure themselves that their investments are not

merely financially sound, but socially beneficent. Christians as employees are counseled to go about the business of production not merely as a means of livelihood, but as a service to the entire community, and to promote among themselves the ideals of democracy which employers have been called upon to recognize. Upon Christians as consumers is laid the duty to concern themselves with the labor conditions involved in the production of what they buy and thus to ally themselves with the salutary movements within industry itself. Finally, Christians as citizens should secure through political action the highest well-being of the workers and should strive to reach an intelligent and fair conclusion as to the causes of industrial conflict or other industrial evils, using their influence to safeguard free discussion and to bring the truth to light.

ACTIVITY OF ENGLISH CHURCHES

In England very important work has been done in the last few years in formulating Christian teachings with respect to economic and industrial questions. The Archbishops' Fifth Committee of Inquiry, which submitted in 1919 an elaborate report on *Christianity and Industrial Problems* was in reality the precursor of the American Committee on the War and the Religious Outlook, to whose report reference has just been made.

A group of twenty British Quaker employers held discussions during 1917 and 1918 at the conclusion of which they published a statement concerning the duties of Christian employers in which they took advance ground. Much of the statement has to do with the details of industrial betterment, but a part of their conclusions constitutes a Christian testimony that has far-reaching spiritual significance. "Some employer may tell us that we are asking

him to draw too many practical inferences from a religious formula. But the conviction we have outlined is more than a formula. It is a vantage ground, from which we can survey the whole field of social and industrial life, seeing in it, not sheer blind turmoil, but a vast meaning and a vast hope. There is but one way of escaping from the implications of such a conviction, to abandon it entirely, to forsake the vantage ground and to forget the only vision that could dominate our whole lives. Then the world of industry may revert to a soulless chaos in which we strive for our own ends. But those ends, even as we achieve them, will seem meaningless and vain."

The Lambeth Conference, which met in England in 1920, declared that "an outstanding and pressing duty of the Church is to convince its members of the necessity of nothing less than a fundamental change in the spirit and working of our economic life" in order to realize such aims as the foregoing statements have contemplated. The conference enumerated the immediate objectives without which a Christian industrial order cannot be realized, all

looking in the direction of greater freedom and security to the individual and more brotherly relations in industry. As to the competitive system, the Bishops declared that "the dominant principle in a rightly ordered society will be coöperation for the common good rather than competition for private advantage. It cannot be said that this principle rules our present system."

In conclusion it must be said that there is an unmistakable tendency, even among the most conservative Protestant communions, to restate the teachings of Jesus in social terms and with particular reference to economic and industrial problems. There is no consensus of Protestantism as to the full implications of Christian teaching in this field, but the churches are undoubtedly moving in the direction of insistence upon a full recognition of the rights and needs of the individual, upon a more democratic distribution of the product of industry and of power and responsibility in industrial management, and upon the dominance of the service motive as over against competition for material gain.

Judaism and the Industrial Crisis

By DR. SIDNEY E. GOLDSTEIN
Free Synagogue

THE teachings of Judaism concerning industry and industrial problems are derived from the preaching of the prophets and also from the codes of Israel. We recognize the prophets as the earliest protagonists of social reform; but to the principles these teachers announce must be added the less known laws and commands found in the many codes Israel has constructed for guidance in the affairs of life. Both the laws of the codes and the principles of the prophets are, however, in turn the outgrowth of two fundamental facts, first, a passion for justice that is central to the faith of Israel; and second, a world experience that extends over forty centuries—an experience that has brought Israel into contact with many forms of life, nomad, agricultural and urban; with many systems of legislation, secular and sacred; with many different conceptions of civilization, in Asia, Africa, Europe and America. Out of this passion, unabated and unimpaired, enriched and intensified rather by our contacts and coöperations and conflicts with other social groups and conceptions of life, we have formulated our social program.

FREEDOM

Israel began its history as a people with the Exodus. The escape from Egypt, the house of bondage, the miraculous emancipation from industrial servitude, has never faded from the heart of Israel. From year to year we recall this providential experience and reaffirm our faith in the lesson of freedom. No man shall live in slavery to his brother. Tyranny and autoc-

racy are intolerable in human society. All men must be free, free to determine the conditions under which they are to live and to work.

The present attempt of small groups of men to deny to the mass of workers the right to organize in their own way, to elect and to speak through their own representatives, to decide for themselves the terms of employment, is violative of the elementary right of freedom. Judaism protests against the policy of the United States Steel Corporation because the chairman of the Executive Committee and his associates have established in the steel industry a state of industrial autocracy. They presume to dictate to three hundred thousand workers, over a million men, women and children, the conditions of labor and the standards of life. Judaism sympathizes with and supports the steel worker because we know from our own experience that not until the power of the Pharaohs has been broken will men be free to march forward to the land of promise. The people may perish in the wilderness, but it is far better to die in freedom than to live in slavery.

HEALTH

Another principal cardinal in Judaism is the sanctity of human life. This teaching is emphasized in every code and in every command. Human life must be guarded and preserved. Industry must be so organized and conducted that it will not endanger the life of men and women. Occupational diseases must be eliminated, industrial accidents must be prevented. The crippling of workers and the under-

mining of health is inexcusable. But more than this, industry must be so developed that it will promote and advance human life. Tuberculosis is a case in point. Tuberculosis is a disease of low resistance. The chief way to raise the resistance of men and women is to raise the standard of living. The chief way to raise the standard of living is to increase the income of the working class. The sudden drop in the mortality rate from tuberculosis during the last four years is due in part to campaigns of education, in part to reduced immigration, in part to the influenza epidemic that carried away many who would have died of tuberculosis, but the largest factor of all is the improved economic status of the laboring classes. To permit a form of industrial organization that jeopardizes life and that makes it impossible to outgrow the plagues that follow upon lowered resistance, physical and mental, is contrary to the teachings of Judaism that life is sacred and that it is our sacred duty to preserve and to promote the health of men and women and children.

REST

The third principle is found in the command to observe the Sabbath day and keep it holy. In the Deuteronomic interpretation the reason given for the Sabbath is rest: rest from labor for the manservant, for the cattle and for the stranger within the gates, as well as for the master of the household. But back of this Commandment there is a larger thought that is developed through the literature of Israel. Every man and woman must be assured the opportunity for rest and refreshment of both body and spirit. Judaism is not committed to the eight-hour day nor to the six-hour day, but it is committed, and this irrevocably, to the full development of all our powers,

physical, mental and spiritual. No industry is properly organized that works men to the point of weariness and fatigue and exhaustion. No industry is organized in accordance with the teachings of Judaism that makes it impossible for the men engaged therein to increase knowledge and to cultivate character. The less time men spend in the darkness of the mine and the sweat of the factory and the monotony of the mill, the more time will these men have to spend in the library, the museum, the art gallery and the chamber of music. The invention of machinery must mean not greater profit for the employer and greater slavery for the worker, but the saving of hours and the release of energy for the cultivation of higher graces that come with education and culture and comradeship. These graces every man and woman should enjoy, not as a grant, but, according to the teachings of Judaism, as an inalienable and unquestioned right.

WORK

The importance and dignity of labor is the fourth thought constantly stressed in the Jewish faith. An ancient tale tells us that when God told Adam and Eve the earth would bring forth thorns and thistles they wept: when He added they would eat their bread in the sweat of their brow, they laughed and rejoiced. Nowhere is this teaching concerning the place that labor holds in the economy of human life so finely expressed as in the Apocryphal Book of Ben Sirach:

Let us now praise famous men,
Even the artificer and workmaster
That passeth his time by night as by day;
And is wakeful to finish his work.
So is the smith sitting by the anvil,
And considering the unwrought iron:
The vapor of the fire wasteth his flesh,
And in the heat of the furnace doth he
wrestle with his work.

All these put their trust in their hands,
 And each becometh wise in his own work,
 Yea, though they be not sought for in
 the council of the people,
 Nor be exalted in the assembly;
 Yet without these shall not a city be
 inhabited,
 Nor shall men sojourn or walk up and
 down therein,
 For these maintain the fabric of the
 world,
 And in the handiwork of their craft is
 their prayer.

Any system of industry and industrial management that robs men of this sense of pride and joy in their own work and that fails to kindle in them the creative instinct and to inspire them with the service they are rendering society is contrary to the teachings of the Jewish faith.

FAIRNESS

The injunction against false balances, many times repeated in the codes of Israel, contains the fifth principle that applies to industry. There must be no defrauding, no exploitation, no profiteering. The consumer must be protected against the greed of the manufacturer and the merchant. The coal industry is here an illustration. It is difficult to ascertain the facts at present, but this much is clear, that those who control the mining and the transportation and the distribution of coal as a commodity have multiplied the unnecessary stages through which it must pass to such an extent that the increase in cost between the mine and the household is nothing less than exploitation and robbery. The difference between the cost of mining a ton of coal and the cost of delivery at the household cannot be explained in any other manner. It is a common excuse of the coal operators and their associates that the increase in cost is chargeable to labor. To charge the cost of coal to labor is an unwarrantable

deception on the part of the operators. When labor is granted or wins an increase of 10 per cent in wages, the coal operators and the merchants add 30 per cent or 40 per cent to the cost of coal. A fair charge for service is reasonable and right, but an artificial and extortionate charge is a gross violation of the teaching of Judaism.

COMMON OWNERSHIP

In the prophetic passage "Woe to those who join house to house and lay field unto field" is expressed the sixth principle that we emphasize. This passage is often quoted as a protest against monopoly, and that it is; but to those acquainted with the history of property and property rights in Israel, it contains a vaster message. The early Hebrews did not believe in the private ownership of land and water sources of food supply. No individual could claim title to the pasture land, the wells and springs and the trees from which the community as a whole nourished itself. The title rested not with man but with God. The earth is the Lord's and all that is therein. Man is merely the trustee and custodian of what he holds. The resources of the world, in other words, must be used not selfishly for the enrichment of a few, but wisely in the service of all. The machinations of small groups today to control the wealth of the earth is contrary to the highest teachings of Judaism. One-tenth of the population must not possess nine-tenths of the treasures of the world. The community as a whole must own and control those great reservoirs of wealth upon which all men are ultimately dependent for their existence and progress.

A fundamental error of the present day is that we are organizing industry in accordance with the so-called laws of economics rather than in keeping

with the principles of ethics. We are still under the unhappy spell of the teachings of the economists of the last generation. Francis Walker in his *Political Economy*, a book that became the economic Bible of those in control of our economic life, says quite frankly: "The boundary line between ethical and economic inquiry is perfectly clear. The economist, as such, has nothing to do with the question whether existing institutions are right or wrong." Judaism does not accept this teaching. We do not admit that the law of supply and demand is the last word in business and industry. It leads to unjust prices and to exploitation. No law can be final that leads to injustice. Judaism does not accept the doctrine of competition. It leads to unnecessary and unworthy struggle and strife and suffering in human relationships. Men are not to compete with each other for personal gain, but are to coöperate with each other for the common good. The whole science of economics needs to be reconstructed in accordance with ethics before it can serve as a guide in industry and commerce and finance. Judaism in-

sists and has never ceased to teach the truth that not economics but ethics constitute the organic law of social life.

RELIGION

The ultimate test of industry, Judaism teaches, is religious. How far and how fast does our present industrial system further the Kingdom of God? How fast is it inaugurating the age when injustice and oppression and misery will no longer be a part of our social life? How far is it advancing the new order when every man, woman and child will rejoice in the fullness of strength, the widest development of mind and the highest cultivation of the spirit? This function industry cannot achieve until it organizes to do two things: First, to adequately maintain all those who labor, for the first charge upon industry is not dividends but the welfare of the workers; second, to serve society, for the primary purpose of industry is not to create profits but to meet the needs of men, to free them and to equip them for the larger life that is to be shared by all those who enter the Kingdom of God.

A Churchman's View of the Church's Function

By FREDERIC COOK MOREHOUSE, LITT.D.

Editor, *The Living Church*

THE Church stands unqualifiedly for social justice. Of this there can be no doubt. I like the form in which this was affirmed by joint resolution of the General Convention of the Episcopal Church in 1913:

Whereas, The moral and spiritual welfare of the people demands that the highest possible standard of living should everywhere be maintained, and that all conduct of industry should emphasize the search for such higher and more human forms and organization as will genuinely elicit the personal initiative and self-respect of the workman, and give him a definite personal stake in the system of production to which his life is given; and

Whereas, Injustice and disproportionate inequality as well as misunderstanding, prejudice, and mutual distrust as between employer and employee are widespread in our social and industrial life today;

Therefore be it Resolved, the House of Bishops concurring, That we the members of the General Convention of the Protestant Episcopal Church do hereby affirm that the Church stands for the ideal of social justice, and that it demands the achievement of a social order in which the social cause of poverty and the gross human waste of the present order shall be eliminated, and in which every worker shall have a just return for that which he produces, a free opportunity for self-development, and a fair share in all the gains of progress. And since such a social order can only be achieved progressively by the effort of men and women who in the spirit of Christ put the common welfare above private gain, the Church calls upon every communicant, clerical and lay, seriously to take part in the study of the complex conditions under which we are called upon to live, and so to act that the present prejudice and injustice may be supplanted by mutual understanding, sympathy and just dealings, and the ideal of thorough-going democracy may be finally realized in our land.

When we come to the application of this principle, however, we find ourselves in many difficulties. To apply justice between man and man is the function of our courts, and they perform that function reasonably well. To apply it between great classes of our population has seemed thus far not to be the function of any machinery created as yet in our government. Attempts have been made to create such machinery, as in the courts of industrial relations in Kansas. In grave industrial crises there has been intervention of the executive arm of the government, as in the issues pertaining to railroads and to the production of coal. Yet the fact remains that the solution has not been found. Many of us had hoped that the Kansas law had solved the problem, and when the labor unions rejected it as a peaceful solution and have submitted only under coercion, we have been intensely disappointed. It is to the interest of labor quite as truly as to that of capital and that of the public that clashes between employer and employed should be prevented.

WHAT THE CHURCH CANNOT DO

What is the function of the Church in this *impasse*? Let us first eliminate certain things that the Church cannot rightly be expected to do.

The Church cannot create machinery for the State.—Urgently desiring that there be created for use between classes the equivalent of the courts in their authoritative adjudication between the rights of individuals, it is the function of the State, and not of the Church, to create such an equivalent. We cannot turn back the pages

of history. If this were the day when the Church was organically united, when its own courts had jurisdiction over moral questions, when the whole population accepted the authority of the Church, and when the State backed up the decisions of Church courts by coercive legislation, the responsibility for creating such machinery might conceivably be placed upon the Church. Academically there is something to be said for such a position. When the Church was united, her moral theology contained the solution of every moral question that could arise. In the thirteenth and fourteenth centuries the Church would have grappled with such questions as now perplex us in our industrial relations, and would have worked out the solution as a problem in morals. That solution would have been final in the forum of conscience and enforced through the confessional; and it would have been final in law and enforced through the courts. Thus, if the Church were organically united and her authority was accepted by the whole people, duties could be laid upon her that cannot be under twentieth century conditions and the American constitution.

This is so obvious when stated that it seems scarcely worth recording. And yet we find about us constantly the allegation that the Church is recalcitrant, if, indeed, it be not charged that the Church has failed, because she has not solved the problem. Curiously enough, too, the charge is generally made by the very people who are most emphatic in demanding the complete separation between Church and State. Now if that separation is to be maintained—and all of us are determined that it shall be—the Church must not be blamed for declining to assume any part of the responsibility that she would have assumed, as a matter of course,

six centuries ago. The State, not the Church, must create the machinery for harmonizing the differences between capital, labor and the public.

The Church cannot be made the advocate for one class of people as distinguished from another class.—Here, again, there is constantly the assumption made to the contrary. We are told that the Church is a "bulwark of capitalism." We are admonished that it must be made the "friend of labor." As a matter of fact the charge is untrue and the admonition unwise except to the extent that the Church must be the friend—because its true relation should be that of spiritual mother—to everybody.

The one thing that the Church may not do is to divide men into classes and to sympathize with the one class rather than with the other. Indeed the Church knows and must know no distinction between her children. Long before democracy was dreamed of in the State, the Church was practising it as a matter of course. In mediaeval centuries, when autocracy was at its worst, the peasant's son could become pope, and so occupy a position higher than that of emperor. The Church should know no caste distinctions; and the caste of capitalist or of organized labor is not one whit better than that of feudal lord or of landed aristocracy. Well wrote good Bishop Coxe a half century ago:

Our mother the Church hath never a child
To honour before the rest,
But she singeth the same for mighty kings
And the veriest babe on her breast;
And the Bishop goes down to his narrow
bed
As the ploughman's child is laid,
And alike she blesseth the dark-browed
serf
And the chief in his robe arrayed.

The Church cannot become the propagandist for any social or political

program.—It is difficult for many to see why. On what they deem to be sufficient reasoning, they accept for themselves certain policies or programs which they believe essential for the well-being of the nation—socialism or anti-socialism, the single tax, organized labor, sovietism, prohibition, or any other program, good or bad, wise or unwise. Believing in such a program themselves, they assume that their reasoning should also be that of the Church, and that the Church should be committed to it. On the contrary it is no part of the duty of the Church to sanction particular programs looking even to better social conditions. Her part is to proclaim principles and leave to the State, which, ideally, would mean her own enlightened children functioning in another sphere, the formulation of those principles in a program or policy. So also the Church cannot attempt to suggest how her own children should vote.

WHAT THE CHURCH CAN DO

Having thus eliminated certain things that the Church cannot or ought not to do, let us seek to discover what is the Church's function in relation to industry.

The Church should impress the sense of personal responsibility alike upon employers and upon employees.—Men are created as units and as units they will be judged. They cannot merge their personality into a group nor their personal responsibility into group responsibility. Where the collective "employer" is an almost infinite number of small stockholders it is not easy for any one of them to exercise or even to visualize his responsibility. No doubt that responsibility is limited, in the sight of God, by his opportunity to exercise the small modicum of influence that he has. In such corporations it

may perhaps be said that the corporate conscience will function in the directorate rather than among the stockholders. But the directors certainly, and the stockholders where they have the opportunity, must account as individuals for the manner in which the corporation is administered with relation both to employees and to the public. The fundamental difficulty in applying Christian principles to corporation activities is the impersonal character of the latter. But impersonality cannot be permitted in the realm of social or moral activity. There is not an abuse in all industry for which personal action or personal neglect is not responsible.

This applies quite as truly to the employee as to the employer. The former cannot merge his responsibility into that of his union. Indeed the abuses in the labor union system, which at the present time seem to be dragging the whole body of organized labor down to destruction, would very largely be obviated if it were well known that honorable men in a union would withdraw in a body if the union should be committed by those who manage its affairs to dishonorable or improper actions. As one reads the shameful story of union after union, such as has lately been revealed in New York and in Chicago, he wonders what can be the secret of that false loyalty that prevents honorable men among their membership from denouncing the things that are done in the name of the union, which is equivalent to saying in the name of all and of each of its members individually. The labor union cannot be saved unless honorable men belonging to it make it perfectly clear that they will not stand for dishonorable tactics; that they will themselves withdraw from unions that are dishonorably managed. For one man to adopt this

attitude would mean his martyrdom; for the whole body of honorable men in a union to do so would be the salvation of organized labor. Honorable men of the unions who are acquiescing in dishonorable management are guilty before God and men of the crimes or misdemeanors that the union collectively commits, while they must also assume the chief responsibility for the inevitable downfall of the union system which must ensue if their own culpable irresponsibility becomes general. The Church cannot perform a more wholesome function in the realm of industry than that of making concrete the teaching that individuals, whether as directors of a corporation or as members of a union, must assume responsibility for the actions of the group.

The Church should define moral issues connected with industry.—We sadly need a moral theology brought up to date. The Church has a definite answer to all the moral problems that relate to purely individual activities. It has no definite answer to the problems that grow out of the collective activities of the present day. Fundamental principles are the same, but the application of those principles to industrial problems is frequently not clear. It is true that there is an increasing literature on the subject, but the Church seems not to have learned how to use that literature. Even in the Churches that practice private confession before a priest, I doubt whether the sins of the individual that are committed in the realm of his collective life—in the corporation, in the union, in society generally—are treated intelligently or uniformly by him who pronounces or withholds absolution. And who can confess a sin unless his refined conscience convicts him of it? The real difficulty is that nowhere in organized Christian-

ity, so far as I can discover, is there, in general, a pastoral teaching such as will guide the layman in his corporate responsibilities, nor a standard held up by which he can test his own life. When we view such colossal illustrations of sin *somewhere* as we have in the West Virginia coal field, be the responsibility where it may, and then realize that among both operators and workers there must be no inconsiderable number of Christian men who earnestly long for a guidance that the Church is not giving them, we see what serious results follow this failure of the Church to develop a satisfactory moral theology pertaining to the realm of industry. Even the sermons that we occasionally hear on industrial topics seldom do more than show the amateur thinking of the preacher who, in the absence of authoritative text books, cannot give that helpful guidance which the people would welcome. No Savonarola arises to interpret a "Thus saith the Lord" to the twentieth century, and the questions are too deep and too intricate for a parish priest or local minister to answer from an inner consciousness that has not been schooled in the detail of the problems.

Yes, we urgently need the guidance of the Church in industrial problems. But on the other hand I question the value of the inquiries into concrete occurrences—particular strikes or other disturbances—and the taking of sides, that some of our national religious bodies are doing. If it were the function of the Church to determine which party is right and which wrong in any disturbance, it would become the duty of the Church to create a judicial machinery such as would enable her to fulfill that duty adequately. It would be essential that competent, trained judges should hear each of the parties to the dispute, should weigh very carefully the evidence, and should

then pronounce judgment after the manner of the courts of the land. True, the Church performed similar judicial functions in the middle ages. But those who believe she ought to do so now should reflect that fourteenth century conditions have passed away. The Church is no longer one. She no longer enjoys the allegiance or the confidence of the whole people. She can set up no tribunal which would be accepted by both parties at issue. She cannot subpoena witnesses nor provide for the proper examination and cross examination of those who voluntarily offer their testimony. In short, the Church neither has nor can create the machinery which would permit her to perform a judicial function with respect to specific issues, we will say in West Virginia or in Pittsburgh.

In the absence of such machinery we find that certain of our social service organizations, representing a greater or less portion of the Christian Church, are performing functions of inquiry as to the facts in particular disputes, making their own deductions concerning them, and publishing the result from time to time. Will I seem unappreciative of their good intentions when I say that, in my judgment, these inquiries and conclusions are a chief embarrassment to the Church in performing her social duty adequately?

For see how much is involved. We have already explained why the Church cannot perform a judicial function with respect to such disputes. The inquiry that may be made by various boards, then, becomes altogether inadequate. They do not establish *all* the facts. They gather many facts, indeed, but lacking the opportunity to correlate them properly, because certain of the facts are lacking, their conclusions are inadequate. Neither among employers nor among employees do we find, in fact, great respect for

the conclusions that these ecclesiastical bodies have formulated from time to time; and since these conclusions purport, to some extent, to be the voice of the Church, those who fail to pay the highest respect to them are necessarily placed in a position of antagonism to that very spiritual organism whose real guidance they would profoundly welcome. I wish I could think that the cause of justice is forwarded by these special inquiries. I do not. I believe, rather, that the influence which the Church might have by laying stress upon principles of conduct is weakened, if not wholly lost, when her official bodies assume to themselves the function of grand juries or of judges.

On the other hand I believe that such inquiries are useful when they proceed from disinterested secular sources. The Russell Sage Foundation, and similar institutions, have an opportunity in connection with industrial disturbances that does not conflict with fundamental duties. The difference between inquiry by such an institution and that by an official body of the Church is that the former has no claim on the allegiance of parties to the dispute; the latter has. The former can make suggestions, can even err, and not commit others than their own few members to those suggestions or those errors; the latter cannot. It is much less serious for a voluntarily formed foundation to intervene in industrial disputes and, possibly, to err in its conclusions or in its advice, than for the Church to do the same thing. For after all, the Church is you and me, the employer and the employed, not as individuals, but as knit into the mystical Body of Christ our Lord. If He, our Head and our Source of spiritual life, had desired that each local branch or board or commission representing some small part of the Christian Church

should have a supernatural illumination in dealing with such matters, in measure beyond what may be possessed by secular foundations, He would have made the possession of that faculty perfectly clear to the world, and the findings of such ecclesiastical bodies would, long before this, have solved the problems of industry. In fact, however, one's Christian humility need not be developed to an extraordinary degree in order that he may perceive that, on the whole, the published results of various inquiries by ecclesiastical bodies have not been marked by greater wisdom, nor have they approached greater inerrancy, than the inquiries of wholly secular tribunals.

The Church should be absolutely non-partisan as between disputants.—Here is the *crux* of the difficulty. In the world we have the unhappy condition that when an industrial disturbance occurs, one part of mankind immediately gives his sympathy to the employers and another part to the employees, though neither is in a position to base his sympathy on an intelligent knowledge of the rights and wrongs of the case. This is tolerable, though illogical, in an individual; it is intolerable for the Church. Neither employers nor employed have, as a class, so universally good a record as to entitle them to the presumption of innocence when a clash occurs. The fallacy of catch-questions that are often asked, as though the answers to them were the chief factors in determining disputes, is past belief. Of course labor has the right to organize; so has capital. Of course collective bargaining is a legitimate right, and it makes it quite as wrong for the one party as for the other to deliver an ultimatum which it will

neither discuss nor arbitrate. Of course arbitration is the sensible method by which to determine questions at issue, and sometimes it is one party and sometimes the other that refuses to arbitrate. Of course graft, and blackmail, and insolence, and hypocrisy, and double dealing, and intimidation, and slugging are wrong; and each of them is just as wrong on the one side as on the other. Yet when an industrial clash occurs, these various matters of course do not afford the slightest clue to the right or wrong that is immediately at stake. An individual has no right to give his sympathies to either side unless he has knowledge of the facts in the case, and the Church must not do so. It is better that the Church should not formally or officially take cognizance of the dispute at all, but should encourage employer and striker to kneel reverently before the same altar, while the Church proclaims to each and to both the immutable laws of right and wrong.

So I conclude this essay with three negative and three positive propositions. Together, they are but approaches to a subject whose very vastness appalls the serious student. The industrial issues of today are too new, as well as too complicated, for the Church to have had the opportunity of formulating a definite, unalterable program. We are still in the stage of inquiry, which must always precede conclusion.

It is helpful always for the Church to participate in such inquiry and to encourage her children to study the problems. It is perilous for her to fulminate conclusions otherwise than on the immutable principles of right and wrong.

The Function of the Church in Industry

By REV. HARRY F. WARD

Secretary, The Methodist Federation for Social Service

IN relation to industry the Church performs a threefold function:

It is the teacher of the principles of conduct;

It is the voice of moral judgment; It is the herald of a new order.

Whatever form the Church takes, it always fulfills in some degree this threefold function, save for those temporary groupings whose members vainly seek to evade the difficulties of this present life by turning their eyes constantly toward a future state of their own imagining.

In this discussion the term "industry" means something more than organized manufacturing. Because of the well-nigh universal presence and influence of the machine, industry now means all those relationships of economic activity which are both the essentials of human existence and the means to culture. This coal and iron age has given these relationships so large a place in life that the religious organization which ignores or neglects them will engage men for but an aesthetic interlude in more urgent affairs or for a fleeting moment as they make their exit from this world.

In the teachings concerning the way of life which the Church has undertaken to spread throughout the world, there are to be found three fundamental principles of social organization; the supremacy of personality, the necessity of brotherhood, the obligation of service. These principles have emerged in the long social experience of mankind. They represent struggle and achievement as well as hope and faith. They have been paid for with a great price. Upon them religion sets its sanction,

declaring them to represent the nature and purpose of God, asserting that by them man must live if he would have fellowship with the Eternal.

These principles are generally accepted among us. To them most men render lip service, if nothing more. Yet it is notorious that they do not control the industrial order, whose basic principles of organization are the supremacy of property, the necessity of self-interest and the obligation of profit, so that personality, brotherhood, and service have continually to struggle for their life. This conflict between Christian teaching and industrial practice is straining modern life to the breaking point, because it is at bottom a contest between the forces of life and the germs of decay for control of the body politic. Industrial civilization, just growing into self-consciousness, is now choosing to which of these two sets of principles it will entrust the dominance of its collective life. Which shall be master and which servant? As history demonstrates, it is the choice between the way of life and the way of death for organized humanity.

In such a pass, in what grouping of its varied life shall mankind learn what principles of conduct make for a continuing social order? In the State—from the voices of officeholders touched of necessity with the infirmity of opportunism? In industry—from captains of finance or leaders of labor caught in the toils of a warfare of sectional interests? In science—from economists, sociologists, technicians, trained as specialists in one field of research, one segment of life? To each of these his task, and from each his

contribution, but to the Church falls the duty of coördinating the capacities and achievements of all these fellow-workers, of adding to this common counsel the sanction and the dynamic which come only when men contemplate their duty and the possibilities of mankind *sub specie aeternitatis* and also *sub specie communitatis*.

THE OBJECTIVE OF THE CHURCH

As the Church attempts to get translated into terms of organized life principles which are generally accepted as desirable, it becomes evident that its educational objective is twofold. It seeks to get people who live in a world where points of views are continually determined by property, self-interest and profit, to take their attitudes and form their judgments in terms of personality, brotherhood and service. It also seeks to get people to express these principles in concrete acts, measures and policies. The former is mainly the task of the pulpit, the latter of the discussion group. It is the preaching function of the Church, both in individual and collective utterance, to show men what industrial life means and ought to mean, by lifting them out of the narrow interests and temporary conflicts of the moment into the larger atmosphere of universal and abiding principles. It is through the other teaching agencies of the Church, in discussion groups in which people of varied training and interests participate, that agreement may be reached as to what concrete acts, measures and policies sufficiently express the principles of Christian teaching to require for them the support of church members as a religious duty.

This is the way in which the churches have been proceeding. The growing body of educational material which they have put out in this field, and the statements adopted by various eccle-

siastical bodies, both formulate general standards of industrial action as present expressions of the basic principles of Christianity and also specify certain measures which are to be supported as more or less satisfactory expressions of these standards. For example, practically all church authorities have declared that the Christian concept of the nature and worth of personality demands that the first charge upon any industrial undertaking is the adequate support of those actually engaged in it, and urge their constituents to work in various ways for a living wage as a minimum. In like manner, they insist that the necessity of brotherhood be applied to the distribution of wealth. They ask what economic necessity requires luxury to continue to increase and capital to multiply, while wages are being cut and the standard of living lowered for large numbers of people? Similarly these church utterances point out that when Christians talk of the obligation to service, they must ask what this means in terms of an industrial order that relies for its efficiency upon the profit motive; they must discover what it requires, for example, in the matter of access to natural resources and raw materials by different classes, nations and races.

The increase of preaching and discussion concerning the meaning of Christianity in terms of the industrial order should stimulate experiment on the part of those bearing industrial responsibility. If religion is socially-minded, it will continually stimulate adventurous spirits to creative enterprise in the vast laboratory of economic organization. At this point, the Church has a definite responsibility as a church. Practically all religious organizations are in business in various ways—as employer and investor, as manufacturer (of printing), and landlord. What better way to teach the

meaning of Christian principles than to demonstrate them? Yet in modern industrial history, I am not aware of a single case in which church management has set new standards. So far, the experimenting has been done in so-called secular business enterprise and church organizations have been but followers, and often limping, tardy followers at that.

ETHICAL STANDARDS

In the process of teaching an industrial society the present meaning of those principles of conduct and association which have been developed in the experience and approved by the desires of the past, the Church inevitably becomes the voice of moral authority. It constantly finds itself compelled to pass judgment on situations and programs, on movements and systems; to indicate whether or not, and to what degree, they embody and exemplify the principles of its teaching. If it avoid this often disagreeable duty, no matter how sonorous its proclamation of essential principles, it becomes but a blind leader of the blind, heading for the ditch that finally receives those who mouth sound principles while they continue or sanction contradictory practices.

In practice the voice of the Church in industrial matters is expressed by individual men on their own responsibility, as for instance, the writings of such men as Rauschenbusch or Ryan; or by representative groups, either clerical or both clerical and lay, as for instance, the Catholic Bishops' Program of Reconstruction, or the Steel Strike Report of the Interchurch World Movement; or by the formal action of official, ecclesiastical bodies, as for instance, the famous encyclical of Pope Leo XIII "On the Condition of Labor," or the various statements adopted by Protestant denominations. Running

through all these utterances, there is a common voice. They agree in their condemnation of certain general practices of the industrial world and of certain elements in its accepted social philosophy, as being anti-social and therefore irreligious. This very fact establishes a moral judgment of sufficient social validity that it cannot with impunity be disregarded by our industrial civilization.

Yet the right of the Church to utter moral judgments concerning industrial issues is now being vigorously contested by those whose industrial conduct has heretofore been without restraint of any authority. In final analysis, this is the question of the authority of the pulpit and the clergy, because the voice of the Church in these matters, while it may at times be formed with the participation of some laymen, and at times uttered with the approval of even more, will necessarily be formulated and uttered for the most part by those set apart for that purpose. Because this voice does and will often run counter to accepted practices and views, it will necessarily meet the opposition and even the rebellion of a considerable section of the laity. On what basis then can the pulpit, individually and collectively, establish a moral authority which society evidently needs?

THE AUTHORITY OF THE CHURCH

If the voice of the Church is to have authority over the conscience and actions of men and the ways of society, that authority must be inherent in its judgments. To the degree in which they are characterized by appeal to enduring values, by competent handling of facts, and by disregard of consequences to those uttering them, they will have power. The world may resist for a while the vision of the prophet, reject for a time the counsel of knowl-

edge, trample under foot for a day the devotion of the martyr, but finally it must needs follow them.

So the right of the clergy to utter judgment concerning industry rests upon and will be maintained by the strength and integrity of their conviction that they speak the enduring word, upon their proven competency to handle the facts and forces of the industrial world, and upon their willingness to risk discomfort and loss both for themselves and their Church. These conditions are to some degree being met. In recent years, the churches are training a group of men in the historical knowledge of both the social experience and the religious convictions of the race and in such acquaintance with industrialism that their utterances cannot be waved aside as the voice of zeal without knowledge. Furthermore, they are teaching more men how to use for purposes of moral judgment the work of specialists in industrial investigation and research. It is significant that none of the findings of church bodies concerning recent industrial conflicts have been successfully disputed as to statements of fact. Some of these findings, as in the matter of the steel strike and the open shop campaign, have cost church bodies something in the loss of funds. Such a process of judgment, thus demonstrating its intellectual competence and its moral validity, cannot be deprived of authority. This authority will increase in a democratic age to the degree that the voice of the clergy is characterized by a sympathetic sense of a common responsibility for the situations in which judgment is uttered. Only those who feel deeply the bondage of the common body of this death in which the industrial system has tied us all, can help mankind to escape from it and to find the way of life.

In the clash of conflicting interests

the judgment of the Church acquires also the authority of some degree of detachment. Speaking generally, the living of the Church comes from all parties to the industrial conflict. Like the impartial chairman in some industrial boards who is paid by both sides, it need be swayed by neither. Yet its highest allegiance is not to both, but to the common social welfare alone. It is partisan only to the facts and to humanity. In the present condition of universal industrial belligerency only the man of science and the man of religion can reach this degree of detachment, and these not without effort. They must, therefore, join forces to maintain the authority of the common weal as they see it. It is the nearest we can come to any disinterested guidance for humanity.

The function of the Church in relation to industry does not end with teaching principles and uttering judgments. It is the organization that seeks the realization of the ideal and its expression in life. It stands for what ought to be and therefore continually turns the eyes and the steps of men toward a better way of living. It is and always will be the herald of a new order. Its supreme task is to arouse the faith and hope, to generate the love, that will continually create improved forms of social organization.

To most beneficiaries of the established order this aspect of the function of the Church is particularly objectionable. To them it is sacrilege even to suggest the temporary nature of capitalism. But the teachers of religion know that the steel and concrete in which the industrial order has encased life are no more permanent than wood and clay, stocks and bonds than crowns and thrones, and they must declare their knowledge. Moreover, the hour impels. Already there is a deep and wide revolt of the spirit of man against

the present industrial order for its inhumanity, its injustice, its belligerency, its inefficiency. This rebellion affects the constitution of the universe, for it affirms that if this tragic disorder which we call civilization be the climax of human effort, then is the social struggle of mankind but a cosmic jest. In such a time, it becomes the duty of organized religion to prevent, if it may, the ruling groups from obstructing the highway of progress and the repressed groups from tearing up the road.

Thus many present voices of the Church call men to the creative task of developing a new order, whether it be a sect declaring that in the ideal society all property with the exception of such things as are necessary for personal and household use should be owned communally, or whether it be

Methodists saying that industry must be transferred from the basis of gain to the basis of service, or Catholics insisting that capitalism and socialism are alike unchristian and must be replaced by a system of individual, coöperative ownership. It is the distinction of these modern religious voices that they do not call men to make a fixed pattern for society. They have caught the scientific method. They do not pretend to know what we shall be, but they urge men constantly to use both reason and faith to discover new ways of living more in harmony with our ideals and with the results of experience. They challenge the creative energy of man to unite with the creative spirit of the universe in continually developing the capacities of humanity for living together.

An Employer's View of the Church's Function in Relation to Industry

By JOHN J. EAGAN

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THE first duty of the Church in relation to industry is to get to the employer the message sent by Paul to Philemon, the employer of long ago. That message dealt with a laborer, who had struck, walked out, the slave Onesimus, who had run away and had gone to Paul in Rome. Paul sent him back to work with a letter, which said: "Perhaps he departed for a season, that thou shouldst receive him forever; not now as a servant, but above a servant, a brother beloved."

More of the so-called laboring class would be coming to our churches if they had better reason to expect to be able to return with such a message to their employers. And surely more of the so-called capitalist class, who profess to follow Christ, would cease to oppose democracy in industry, if such a message were impressed by the Church, as the word of God, upon their hearts. The message puts the relationship of employer and employee upon an even higher plane than that of the Golden Rule, which applies to all men alike. The employer is to receive the employee "not now as a servant, but above a servant, a brother beloved." What a solution for strikes!

The next duty of the Church in relation to industry is to get to employer and employee alike, the message which Jesus gave when he washed the feet of His disciples, including those of His betrayer, the night of the betrayal. Jesus said: "Ye call me Master and Lord; and ye say well; for so I am. If I, then, your Lord and Master, have washed your feet, ye also ought to wash

one another's feet. For I have given you an example, that ye should do as I have done to you. Verily, verily, I say unto you, the servant is not greater than his Lord; neither he that is sent greater than he that sent him." If the spirit of these words were the spirit of the rules of any industrial plant, could there be in it any talk of closed shop, lock-outs or strikes?

The memory of the concern of the public in the price of the output of every industry brings the thought that the Church, to be true to the teaching of the Master, must insist upon the principle voiced by Jesus when He said: "Whosoever will be chief among you, let him be your servant; even as the Son of man came not to be served, but to serve, and to give His life." Above everything, the Church is called to teach that he who would follow Jesus must place service to the public and to fellow-laborers, whether they be employer or employee, above profits and position.

THE CHURCHES SHOULD PROCLAIM GOD'S WORD

In approaching the question of the Church's function in relation to industry, I am in thorough accord with those who hold that the primary function of the Church is to proclaim God's word, and that the Church treads on dangerous ground when she departs from this duty. I go even further. The Church, I believe, humanly speaking, will be hopelessly lost, if she continually fails to proclaim the whole of God's word. Hence, my vital interest in God's word

in its relation to industry and the message of the Church with reference to this subject.

James says that "the word" is a mirror, in which we, employer and laborer alike, may see ourselves as we really are. He warns of the danger of looking into the mirror by hearing the word, and going away without remembering what we have seen. "Whoso looketh unto the perfect law of liberty," says James, "and continueth therein, he being not a forgetful hearer, but a doer of the work, this man shall be blessed in his deed." But does not that which is held before us as "the word," as a mirror, become a dull, cracked and useless thing, in which neither employer nor laborer can see himself, if the Church, whose all-inclusive function it is to hold the mirror before us, neglects to declare the unpalatable truth which James reveals in these simple, unmistakable words?

Go to now, ye rich man, weep and howl for your miseries that shall come upon you. Your riches are corrupted, and your garments are moth-eaten. Your gold and silver is cankered; and the rust of them shall be a witness against you, and shall eat your flesh as it were fire.

Ye have heaped treasure together for the last days.

Behold, the hire of the laborers who have reaped down your fields, which is of you kept back by fraud, crieth; and the cries of them which have reaped are entered into the ears of the Lord of Sabaoth.

Quite a text for a word from the Church concerning the living wage. And, to make the mirror wholly clear and revealing, the words of Moses, "Thou shalt not lend upon interest to thy brother," should be added. Looking into the mirror so cleansed, the men, who hold that a return upon cold invested dollars must come ahead of the payment of a living wage, which wage would enable little children and a wife

to live without slaving in a mill, might see themselves as their Maker sees them.

The investigation by our government of the death of 1,643 babies in an American factory town in our day shows that the death-rate among the babies in the poorest families was more than four times as high as among those in the highest paid group. The mothers of 267 of the babies had to go out to work during the first year of their babies' lives. These babies died almost like flies, 277.3 per thousand being the death-rate among those whose mothers had to go before they were four months old. The babies in those homes where seven or more families lived huddled together died at the rate of 236.6 per thousand. Former Surgeon General William C. Gorgas has said:

That poverty is the greatest single cause of bad sanitary conditions was very early impressed upon me. If I should go again into a community such as Cuba or Panama, and were allowed to select only one sanitary measure, but were at the same time given power to choose from all sanitary measures, I would select that of doubling wages. This, in my case, is not altogether theory. In our tropical possessions, in Cuba, Porto Rico, the Philippines, Panama, the result has always come about that we have largely increased wages; the result has also come about that in all the cases we have greatly improved sanitation.

PUTTING GOD'S WORD INTO PRACTICE

With millions starving for food in Europe, grain this winter was being burned for fuel in South America and in our western states, because the farmers could not sell the grain for enough to get coal. Millions at home and abroad shivered last winter for lack of fuel. Yet overproduction of coal has been offered as an explanation for the unsatisfactory conditions in the

coal mines. The production of coal, a necessity of life for all, has been stopped in a great number of mines because operators and miners cannot get together and agree upon a living wage for the men who spend a great part of their lives digging, out of sight of the light of day, in order that our factories may run and our furnaces may be fired to warm our homes.

Did not Onesimus, striking long ago, learn something from Paul, which the Church might well say to the striking miners of our day? And did not Paul's letter to capitalist Philemon, begging him to take Onesimus back, "not now as a servant, but above a servant, a brother beloved," have in it a message for the mine operator and capitalist of this age? The words, "above a servant, a brother beloved," for the striking workman, returning, and the memory of Jesus, God incarnate, washing His servants' feet in order to put an end to a dispute over position and place, would justify the Church in urging something even more than democracy in industry as a method for ending a dispute between capital and labor such as that which has stopped the digging of our coal.

With women and children starving for the lack of the food which has been burned for coal, and with people shivering every winter for the lack of fuel, and with the price of everything being driven up and kept up by the inflated price of coal, is not the Church recreant to her trust, if she fails to point to this needless suffering and to remind both capital and labor that those who would follow Christ are here "not to be served, but to serve, and to give their lives" to save others. America would not have suffered from three thousand strikes a year for the past five years, I venture to say, if all of the prophets in our pulpits had pressed these principles upon their hearers

as diligently as they have pressed the call to the foreign field. I confess myself at a loss to understand the thought of those who question the propriety of the Church speaking more than pious platitudes upon industrial problems of our day.

The Roman Catholic Church in speaking clearly, plainly and fearlessly upon these subjects has added another to the many debts, which we must admit that we owe to that Church, however many we may think her mistakes, and however much we may differ from her members in the expression of our faith.

To me, one of the most hopeful signs of the times is the declaration adopted by the Federal Council of Churches of Christ in December 1912.¹

The committee of Christian ministers and laymen who investigated and published the facts of the steel strike was moving in the right direction. I glory and rejoice in the fearless work of these men. But was it not unfortunate that the churches had not gathered the facts and let in the light of God's truth long prior to the strike? Possibly, then, there would have been no strike.

There have been mutterings in our coal fields for years. Conflicting statements have been given to the public again and again. How many of our churches have given careful consideration to the subject? When lives and industries throughout the world are largely dependent upon this one industry, does it not seem that the churches should have a word to say with reference to the conflict between operators and miners, and the interest of the public therein—that word to be based upon carefully ascertained facts? From the bottom of my heart I believe in "foreign missions," but I cannot refrain from saying that the situation in

¹ See, "Policy and Program of the Christian Churches," p. 126.

the coal fields, and similar situations which may arise, demand our attention as Christians just as much as does the foreign field. Therefore I rejoice to see material touching the coal strike and kindred subjects being sent out by the Information Service of the Federal Council of Churches. This information should be placed in the hands of every minister and church official in America, and it should be used by them.

Mr. Seeborn Rowntree, the English manufacturer, in New York last winter, made a statement which indicates how some minds are moving, and to me proclaims the coming dawn. Mr. Rowntree said: "As a follower of Jesus, I cannot go to sleep in comfort at night, until I know that conditions in my plant are such that I should be glad to see any one of my children take any position as a laborer in the plant." I do not know the conditions in Mr. Rowntree's plant, except by hearing that they are exceptionally good, but I know the condition in many coal mines, mills, factories and plants of America. Could we, who know the conditions in these, honestly say that we should be glad to see one of our children "take any position as a laborer in the plant?"

Until all followers of Christ, who employ labor, can honestly make such a declaration, surely it is the duty of the Church to condemn their failure and to call them to repent and take the better way. Otherwise, shall we ever prove that we love our neighbors as we love ourselves, and that we are willing to do

to them as we would have them do to us? More, that we would willingly die for them as did our Saviour?

So long as 6,000,000 unemployed can walk our streets in winter, so long as the majority of the 25,000,000 wage-earners of the United States live in constant fear of unemployment and in dread of the inevitable want for their families, if accident or death removes the wage-earner, so long as there is one cold, hungry child, or one forced to work, or a baby deprived of its mother by the lack of a living wage, so long as babies are dying as the result of industrial conditions, the function of the Church in relation to industry is crystal clear.

This, I conceive to be the all-inclusive function of the Church, to show forth the living Christ, His power, and love in our lives.

No untried path lies before us. Christ has travelled and marked the way with His cross. I know no other for the Church, which He promised should break the very "gates of Hell."

Despite our failures and lack of faith, for ages these gates have been giving, cracking before the slow onward, upward surge of civilization moved by the Church in which works the Spirit of Christ. Has not the time come for the Church, in His name and strength, to smash the gates of the industrial hell on earth and release the mothers and babies, the men, women and children who suffer therein?

This, surely, is the function of the Church.

An Employer's View of the Church's Function in Industry

By P. H. CALLAHAN

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WITHIN recent years some notable changes have taken place in the views of employers concerning the function of the Church in industry. Formerly, it was the consensus of opinion that neither the Church nor the State had any right to function in respect to industry. Industry, we thought, should be free; free, not only as a whole, but in all its functions and all its factors. Competition should be free; bargaining should be free; above all, labor should be free. From the greatest to the least let each run his race—"and the devil take the hindmost." That was our philosophy in the last century. It was the extreme individualism of Herbert Spencer applied to economics, with the doctrine of the survival of the fittest held up as the last word in theory, and often literally exemplified in practice. Modern industry was largely built on the basis of that philosophy and, needless to say, it has been in numerous instances a grim tragedy.

Certainly, industry could not have been conducted on that individualist philosophy without the world at large being in sympathy, as it was. In point of fact the employers merely adapted to their particular field the individualist theories that were being variously applied to the wider domain of society, but especially in religion and politics. If in religion all opinions were equally good, and in politics all methods were equally fair, why in economics were all bargains not equally just? Thus it was agreed on all hands, and society attempted to achieve the impossible paradox of individualistic concord.

That is all changed now. The world

has lost sympathy with the individualistic idea. We may, indeed, be headed for the other extreme; but whether or not we go as far in the opposite direction, we can be sure that the day of unrestricted competition, of unlimited exploitation, of non-interference and *laissez-faire*, is a thing of the past. The War showed that, and although a decided reaction followed the War, the ramifications of production and distribution have come to affect the public too widely and too deeply for industry ever again to be "let alone" by the guardians of the public welfare. The right of the State to function in this field is no longer questioned by any of us; it is now only a question as to the extent that the State should exercise that right in order to safeguard the public welfare.

The right of the Church is but another aspect of the same matter. Industry bears on morals even more than it bears on the public interest. Its every phase has somewhat to do with human beings and where there are human beings, there are moral laws and obligations also, and there, unless she would forfeit all right in the moral sphere, the Church must have some function. To acknowledge the right of the State to function in industry and yet deny the right of the Church, is inconsistent with any adequate conception of the human element in industry.

INDUSTRY HAS A MORAL ASPECT

All industrial problems have a moral aspect. Indeed, a human being cannot exercise his free will, in thought, word, deed or omission, without touch-

ing on morals. The moral sphere is as broad as humanity itself. It embraces every relation, every affection, every motive and impulse known to man. Where there is an opportunity to do justice or injustice, to show kindness or unkindness, to extend or withhold charity, a question of morals is involved. Where the amount of wages, the length of hours, the safety of employment, is to be determined, a question of morals is involved. The status of the workers involves a moral question; the direction of the work involves a moral question; production, price and profit, each involves a moral question. In short, industrial management and control, because it has to do with human beings, must be considered in all its phases with a view to the right and the wrong of the thing.

Man is not a machine to be geared and run for the benefit of industry, whether on the basis of an individualistic or a socialistic philosophy. Men are no more to be exploited for the welfare of society than for the enrichment of individual persons. It is not enough that the public interest be safeguarded; nor yet enough that private interests be secure. The dignity of the human person must be respected. This does not belong to the State but to the Church, which stands in relation to morals as does the State in relation to the public interest.

The human element in industry requires the Church to function in this field in order to save human beings from the degradation they suffer in being regarded as creatures of the State. Without the Church we have no reason to hope that the concept of human dignity, which is her singular contribution to civilization, will be preserved. Christ said to the Pharisees that the Sabbath was made for man and not man for the Sabbath; unless this profound truth is kept alive

in the world nothing can prevent a recrudescence of the pagan thought, with which even the Jews became tainted, that man was made for society and may be exploited, enslaved, sacrificed, for the benefit of society or its favored institutions, among which industry holds as high a place in our modern eyes as did the Sabbath among the Jews.

When Pope Leo XIII in his famous encyclical on "The Condition of the Working Classes" restated in terms of modern application the time-honored teaching of the Church that it is immoral to treat human beings as mere instruments for producing wealth, whether for a few capitalists or for society at large, the whole current of modern thought pertaining to industry began to change. Most everyone will now admit that the methods prevailing in industry at that time were unjust, if not, indeed, inhuman. Not, perhaps, so inhuman as the worst forms of slavery, but scarcely to be preferred over the best form of that ancient institution. The underlying philosophy of both was that nature had ordained that some persons in society should exploit others for their own benefit. Nothing short of the world-wide influence of the Church, exerted at the propitious time when the reactions from materialism had set in, could have changed the current of thought then prevalent, without carrying things to the other extreme, which the wave of radicalism fast rising gave earnest promise of doing.

First, then, it stands in the nature of things that the Church should function in respect to industry because industry has a moral bearing that is wide and deep, and it is in the moral sphere that the Church exercises the fullest competence. Wherever there is a moral question, there the Church should function.

THE CHURCH IS THE TEACHER

Again, the Church should function in this field because her teaching has been the one great force in humanizing civilization, in lifting mankind out of the degradation of pagan thought toward the dignity of the Christian ideal, and it would be an incongruous thing, with the ramifications of industry as extensive and vital as they are, to exclude from this field the one force that has demonstrated its power to lead the human race on to higher planes.

The workingman should welcome the Church's functioning in industry because the strength of her influence is his one hope to improve without violence his status to the point where not only economic justice but social justice as well, will be within his reach. The employer should welcome it because, first, it is right and, second, it is all that can stay the swing of the pendulum to the other extreme where, as today in Russia, the once favored classes will be trampled down and destroyed. Society as a whole should welcome it because with the Church teaching and the State governing in well-balanced harmony society is organized on the best possible plan, the most intelligent, the most tranquil, the most lasting.

The Church is, of course, preëminently the teacher. She is equipped to teach the world. She has the experience, the heart, the vision. She knows history. She knows men. She has been with them, has studied them for centuries. She is the incomparable expert in human nature. Her specialty is religion, but religion was made for man, and a religion that does not enter into his daily life can be of no great benefit to him. A religion that does not reach man's heart can have no appreciable effect on his conduct. A religion that does not take in the whole moral sphere cannot adequately deal

with any moral problem. Moral values are not delimited by zones or occupational lines; they all run into one another; and the moral teacher that does not assert the right to function in such an important sphere of human activity as modern industry, acknowledges its own incompetence.

There is no necessity here to discuss man's need of religion, which alone has lifted the race out of the pits where the first man born slew his brother; which alone can search man's conscience and train his will to better things. It is enough to say that without the Church to teach us the right and the wrong of human conduct in all the relations of men, it is left only for the State, by the power of numbers, to establish society on the basis that for the moment is in most popular demand.

In the light of history and with human nature what it is in the raw, that alternative holds out a prospect which must cause even selfish groups and persons to be willing for the Church to exert her moral influence in the field of industry. There is no wrong however great that the untaught conscience of the people has not in the past condoned, no cruelty however deep that popular majorities under the spell of some inflamed propagandist have not approved. Neither barricades nor bullets are adequate to check an aroused populace; and as for law, this is effective only to the extent that it has the sanction of the common conscience. The power that can lay its edicts on man's conscience alone can save him in that hour when the elemental traits of human nature break through the crust of civilized conventions. That power is the Church, the great moral teacher of mankind, which should have an active function in all divisions of society, and not least in that field where so many men and women spend their lives.

Labor's View of the Church's Function with Regard to Industrial Relations

By JOHN A. VOLL

President, Glass Bottle Blowers' Association

LABOR'S view of the Church's function with regard to industrial relations is not only sympathetic at this time, but pleasing, being in direct contrast with the views held by labor on this matter in the not very distant past. In fact, the common opinion among wage-earners was that the Church had not only neglected its duty in regard to industrial relations toward the masses, but that it carried the favor of materialism. Labor has nowhere to look or nowhere to go for common justice other than to the Church, unless it found its efforts upon a materialistic basis and thus control and dominate government and the Church, as capitalism is attempting to do and as the masses have done in Russia. In other words, if labor cannot depend upon the Church for sympathy and a vigorous stand for justice, it will be forced to conquer one blighting form of materialism with another equally inhuman and destructive of men's souls and the finer sensibilities of life.

This condition in government or form of government should never be allowed to prevail, nor will it prevail if Christian doctrine is put into practice in industry. It was materialism that enslaved the laborer. It was the Church that freed him, not by the sword but by the doctrine of human equality, and this is the doctrine that capitalism abhors and would crush if possible. On the other hand, it is upon this doctrine that the laborer relies to uphold his dignity as man and to obtain his just share of the fruits of the earth. It is because the laborer felt, whether rightly or wrongly, that the Church had become lax in

her industrial relations and was allowing materialism to control and oppress her, that he became cold and critical.

Materialism ran rampant from the time of the Middle Ages when capitalism supplanted feudalism and crushed the workingmen's guilds, until 1891 when Pope Leo XIII startled the world with his famous encyclical on the "Conditions of the Working Classes." However, this extraordinary and it would seem inspired elaboration of the doctrine of human equality was allowed to lie dormant. The first real activity in conformity therewith came nearly twenty years later through the Federal Council of the Churches of Christ in its investigation and report to the public of the strike of the steel workers at Bethlehem, Pennsylvania, in 1910. The Christian forces gradually continuing their activities since that time have inspired the laborers with the hope and confidence that they will not be left defenceless to the gaping maws of capitalism nor forced to become materialists and eventually atheists and drifters with the tide for protection of their rights and liberties. To become materialists would result only in serfdom if their materialistic effort to control and dominate met with success.

THE CHURCH TO TAKE ACTIVE PART

To the laborer's mind the position and attitude of opposing forces in industry makes it plain that the Church can no more separate herself from industrial relations and activities than can the government or the laborer himself be separated therefrom. Nor can the Church maintain a neutral position

as capitalism has pressed her to do, a position to which some of her leaders subscribe. These leaders fail to see that capitalism's method of obtaining control is to first crush the things which give strength to that which it wishes to subjugate. In this instance the object to be controlled is the Church. Hence capitalism strives to crush the wage-earners' unions as it did the workingmen's guilds of old because they add to the strength of the Church. The Church's very life is bound up in industrial relations and has been since Christianity dawned upon a pagan world, because the Church involves the salvation of men's souls. Her struggle for two thousand years has been largely against materialism, to prevent one man from making a slave of another or from appropriating the fruits of the earth contrary to the will of God.

The laborer knows there can be no just compromise between the Church and capitalism, that capitalism is as much opposed to Christian doctrine today as materialism was in the early days of Christianity. He also knows that the doctrine of human equality that freed the laborer from slavery is not accepted by capitalism. He sees in the daily press and hears from the rostrum that there is no such thing as human equality, mentally or physically, and for that reason the fittest, the superiors in society, feel justified in appropriating to themselves the lion's share of the fruits of the earth. Thus, they largely control governments and deny natural and lawful rights to their fellow citizens. Christian doctrine, however, tells us there is human equality, not mentally or physically, but human equality wherein each individual in society contributes to the good of all others subordinating private aims and interests to the general welfare.

Therefore, for the Church to remain neutral or inactive in the relations be-

tween capital and labor is to refrain from advocating and carrying out the fundamental principles upon which she was founded. Capitalism's interpretation of human equality is paganism. It would, if allowed to follow to its logical end, recognize a soul and human aspirations only in those who were of the patricians. Consequently, the Church for her own rights and liberties, for her own salvation, must take part in industrial relations, and speak out boldly where she finds injustice.

It is inconceivable how the Church can be neutral while labor is justly pleading for a square deal in industry; while it is discriminated against in the courts where its simple story is not judged in the same way as are the forces whose social standing and general influence are far above that of labor. This discrimination is due to environment, contact, and the possession of great wealth, the latter permitting the employment of superior legal talent to either prosecute or defend justly or unjustly. Neither should the Church, in our opinion, remain quiet or neutral while the capitalistic forces largely control and dominate our political institutions, federal, state and municipal, through which they deny the right of free assembly and free speech.

LABOR MOVEMENT BASED ON CHRISTIAN PRINCIPLES

Labor is beginning to realize, however, that the Church has not always been free to denounce political and economic wrong and injustice in the way it should be denounced. It is also beginning to open its eyes to the fact that this political and economic control by capitalism has not only laid almost insurmountable barriers at times in the Church's path of legitimate functioning, but has repeatedly cracked the money whip, if its leaders dared to investigate and tell the truth of labor's

crushed hopes and aspirations. It is these things in common between the Church and the struggling masses, especially the organized wage-earners, that is fast developing a bond of good will, confidence and coöperation.

And why not? The labor movement in our country is built upon Christian principles and practices and it functions accordingly, not, it is true, in the exact spirit of forbearance of the Church itself, because the movement is human in its origin and is compelled to assume militancy in order to keep from being crushed and to gain for the masses that to which they are justly entitled. It is indeed gratifying to the wage-earners that the Christian forces have come to realize and appreciate the Christian character of the trade-union, and to express their stand unhesitatingly as in the declaration against the open shop by the Protestant, Catholic, and Jewish religions; in the reconstruction program adopted by each of these religious bodies; in the investigation and report of the late steel strike by the Interchurch World Movement; in the joint investigation and report on the Denver tramway strike by the Catholic and Protestant National Councils; and in the general activity in keeping before the public the absolute necessity of a much greater recognition of human rights and welfare in industry than now exists. The Church, through her activities in the field of industrial relations, has shown her true leadership of society and demonstrated the intention of taking her rightful position as the balance wheel of society. The visioned and courageous leaders of the Christian forces see the great change taking place in the social order throughout the world, and sense the necessity of moulding it into such form as to prevent a debacle of society and complete chaos. In their efforts it would seem that the employers of labor should coöperate

gladly with them, for success means continuance of the system of private ownership of productive property, and failure means its abolition.

CHURCH TO PROMOTE JUSTICE

Throughout the world there is constant unrest of a character never before witnessed or recorded. This is due largely to the rapid means of communication and transportation, and to the doctrine of self-determination for all peoples which has impregnated the world, the latter a democratic germ for industry as well as for government. These things, coupled with progress in education and higher standards, demand a change in the social order. This change is now in process and will necessarily continue regardless of any and all obstacles that may be put in the way. The conclusion to be reached, therefore, is that it is far better to go along with and mould this change into sound, stable government based upon good will and justice, than to oppose it and bring into being government based upon injustice and hate.

Employers of labor, however, will not openly and fairly coöperate with the Christian forces in their industrial activities because capitalism will not permit them to do so. Christian forces are striving for a square deal in industry and government; capitalism is opposed to the square deal. In fact, it functions through deception, misrepresentation and oppression. It is blind to human appeal and calloused to the hopes and aspirations of the masses. But materialism has ever been thus. We find that in 133 B.C. a Roman tribune, in promulgating his agrarian laws, appealed to the rich to accept the trifling sacrifice for the good of the republic, but neither appeal, argument or eloquence could overcome their narrow selfishness. There is too much blind dependence today upon the soundness

and sanity of the American wage-earner. The thought of human limitation is entirely cast aside by the capitalistic forces. The people of this day have passed beyond the stages of slavery and serfdom in the slow process of civilization. A living and a place to sleep will not satisfy the human being today who can read and write and who at least exercises freedom of thought and a limited freedom of action.

This is set forth clearly and unequivocally in the Catholic Bishops' Program of Reconstruction wherein it says: "Nevertheless the full possibilities of increased production will not be realized so long as the majority of the workers remain mere wage-earners. The majority must somehow become owners, or owners in part, of the instruments of production. They can be enabled to reach this stage gradually through coöperative productive societies and co-partnership arrangement. In the former the workers own and manage the industry themselves; in the latter they own a substantial part of the corporate stock and exercise a reasonable share in management. However slow the attainment of these ends, they will have to be reached before we can have a thorough, efficient system of production, or an industrial and social order that will be secure from the danger of revolution."

Capitalism as a matter of course repudiates this sound and evolutionary doctrine as it repudiates all effort and action that tend to curb its power or curtail its satisfaction and greed. This is borne out by an editorial that

appeared some time ago in the *Wall Street Journal* and is particularly significant on this point. It says: "When the real adjustment comes the unskilled worker finishes where he belongs, at the bottom of the list. He will be able to live on two dollars a day when he is lucky enough to get that amount regularly. The cost of living will adjust itself. The Labor Bureau will give up publishing nonsense about \$2,600 a year minimum for a fancied family of five. The unskilled worker will thank goodness that he has no family of five or indeed anybody but himself to support; nor will any employer pay him on a basis of such fatherhood as the bankrupt and discredited Interchurch World Movement absurdly proposed in its gratuitous inquiry into the steel strike."

Here we come to a stern realization of the absolute necessity of activity in the field of industrial relations on the part of the Church: first, for the salvation of society through maintaining the principles and practices of Christianity therein; second, for the purpose of moulding the inevitable change in the functioning of industry in a manner that will accord justice to all; third, to preserve the present system of private productive property. While the writer is not in a position nor authorized to speak for labor as a whole, it is safe to say that the interpretation herein set forth of labor's view of the Church's function with regard to industrial relations is in conformity with the position and principles of the labor movement of our country.

Labor's View of the Function of the Church

By A. J. MUSTE

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IT is my purpose in this article to try to state what the more radical and aggressive groups of workers in this country think about the Church and the function it fulfills and might fulfill in society.

There is no doubt that among these groups one may find some positive hostility and bitterness toward the churches. Particularly among foreign-speaking workers in large industrial centers there is frequently a very definite line drawn between what are called "church people" and "radicals" or "enlightened ones." The latter never expect any support from the former in labor-union work, and the former regard unions or radical political parties as agencies of the devil.

If one seeks to analyze somewhat more closely the grounds for the feeling of hostility to the Church among some of the more aggressive workers, two considerations may be mentioned. In the first place, these workers hold that social institutions are primarily the product of the economic system and exist to support it. Our economic system is the system of capitalism, under which the ownership of the means of production is concentrated in the hands of a few, while workers own nothing but their labor-power which they have to sell like a commodity in a bitterly competitive market. The modern churches are a part of this system. They depend directly or indirectly upon the privileged classes for their financial support and social prestige. Consequently, whenever conflict arises between the masters and the workers, the churches will be found throwing the weight of their great moral influence

in the community into the scale against labor. They are bound in a crisis to be reactionary. They are the natural foes of labor, and labor should look upon them as such. So runs the familiar indictment.

In the second place, not a few radical workers are hostile to the Church, or at least very impatient with it, because, as they think, the Church fixes the minds of the workers upon the next world and so distracts their attention from the pressing task of making the present world a decent place to live in. I have heard it said: "The preacher points your eyes to heaven, and then the boss picks your pocket." "Religion is the opiate of the people."

Now, undoubtedly, workers who hold the above views do so partly because they are considered good orthodox radical doctrine. Radicalism also can be dogmatic! But these workers can usually also point to events that have taken place under their own noses that seem to provide very concrete support for their views. They know how many manual workers are found in the conventions and on the influential boards and committees of the various denominations. They know how well they would fit into the life of the churches on the Avenue. They have seen a steel or mining or textile corporation build the church, and then heard the clergyman from its pulpit urge strikers protesting against a reduction in a starvation wage, to go meekly back to work, and so one could go on at great length.

It is of course very difficult to estimate how widespread and intense an attitude such as we have been describ-

ing may be. One's own views are apt to affect his estimate. I give it as my opinion, however, that the prevailing attitude toward the Church among the more aggressive workers in the United States is not that of definite, irrevocable hostility. The attitude of indifference is more common. During several years of constant association with what would perhaps be described as radical but not extremist workers, I have seldom heard an attack on the Church. Sometimes I have seen men smile contemptuously at the mention of the Church; but much more frequently have I encountered men and women who almost never gave a thought to the Church or religion, in the usual sense of the term, and who, on the rare occasions when their minds turned to the subject, thought of the Church as a phenomenon belonging to another world or planet, which might be good or bad in itself but had absolutely no contact with the interests of workers or conceivable contribution to make to their cause. For one man who was suspicious of me as a labor-union official because I had been connected with the Church, I am sure there were ten who simply could not understand how any one could possibly make the passage from one world into the other.

I am convinced, however, that this attitude of indifference is not irrevocably fixed. On the contrary, I have seen workers manifest a most lively interest in the doings of the Church. Recent utterances on the subject of post-war reconstruction, social justice, and the open shop, by Roman Catholic Bishops, the Federal Council of Churches, and other religious bodies, have made a profound impression upon the more advanced unionists throughout the land and have been repeatedly quoted and commented on in their press. The good effect of the report on

the steel strike by the Interchurch World Movement is beyond calculation. On a smaller scale I have seen the spirit of a whole mill village completely changed within a few days after an officer of a local labor union came to me and said: "Yesterday Father — told us in his sermon that a few people have too much to say in this country and that if we are men and not slaves we ought to organize to protect our wages and working conditions, and this morning fifteen spinners put in applications to join the union!"

There are, then, circumstances under which even radical workers feel that what the churches do is of some concern to them, and the actions of religious bodies obtain a quite enthusiastic approbation from them. Can we determine what actions of the churches meet with this approbation, and how, therefore, the churches may function in the present industrial situation to the satisfaction of the workers? It seems to me that two things may be pointed out in answer to this question.

WHAT THE CHURCHES CAN DO

Publish Facts.—In the first place, we have observed that workers have greeted with marked enthusiasm and gratitude documents such as the reports on the steel strike of the Interchurch World Movement or the more recent booklet on the coal situation issued by the Social Service Department of the Federal Council of Churches of Christ in America, which set forth the facts about a critical industrial situation. The churches, in other words, can function today, can make a real contribution, by maintaining fact-finding agencies, national ones for all large situations and smaller ones in the important industrial center, to deal with pressing issues of a local nature, and by seeing to it that the facts when

found shall be published no matter who may be hit.

There is nothing that angers human beings so much or makes them feel so bitter or hopeless, as failure to seek, or suppression of, the plain facts about their condition, or the misrepresentation of these facts. The worker knows what wages he gets, how much his wife has to pay for the necessities of life to landlord, grocer and clothier, under what conditions he works in mill, mine and factory, what happens to him if he joins a union or goes on strike. He can not understand how anyone who really wants to know can have any serious difficulty in finding out the facts as to these matters, nor how people should not want to know such facts when grave industrial disturbances take place. Yet often he looks in vain in the public press, secular or religious, for any reference to these facts; and not seldom he finds published what seem to him deliberate and inexcusable lies, such as a report that certain strikers have been earning fifty dollars a week when perhaps five per cent of them can make that much and the rest have averaged nearer twenty dollars per week. Then there are questions concerning the capitalization of industrial concerns of all sorts, the share of the proceeds of industry that actually goes to labor, to management, to rent and interest, to profit. There are facts to be had with regard to these matters. The worker feels that all honest people must want to know the facts. Yet he finds often an indifference as to the facts, unwillingness to furnish them, suppression or distortion of them, and he becomes suspicious, bitter, or despairing. Who shall blame him?

Now in many cases the workers do not have as yet the means, financial and otherwise, to obtain all the facts, and even if they did they might be suspected of having a bias in presenting

them. The reception that has greeted certain reports above referred to, indicates that the workers believe that there are at least some religious agencies that they can trust to give the facts fairly. There are, on the other hand, large numbers of people besides the manual workers in the community, who have confidence in reports from such religious agencies, and who may therefore be aroused by them out of the complacency into which good people fall because their surroundings put them completely out of touch with the workers, and because the human imagination is lazy and weak. Thus, by maintaining fact-finding and fact-publishing agencies, the churches may render a great two-fold social service. They can serve the workers, dispelling the bitterness they often feel because of their conviction that society has not learned and will not learn the facts about their lives; and they can serve the well-meaning people in the community who today condemn organized labor or are wholly indifferent to its aims and struggles chiefly because they live on the hill and have no facts about the life of the masses who live in the valley below.

Establish Ethical Standards.—In the second place, aside from the reports consisting mainly of statements of facts about which we have been discoursing, the recent pronouncements of religious bodies that have attracted the favorable attention of the more radical workers have been chiefly in the nature of attempts to interpret Christian or New Testament ethics in its bearing on social and industrial problems. The various "social creeds" of the churches and similar documents try to point out what long hours, low wages, child labor, bad housing, industrial espionage, the open shop, the closed shop, soldiering on the job, etc., look like from the point of view of our

highest moral principles. They are thus touching upon one of the fundamental problems of our day.

Our moral selves are divided. Some are not yet conscious of the fact. Others are aware that the modern soul is sick but do not know why. Men have one standard in the home and the Church, and another in business. At home Smith is kind, considerate, patient, unselfish; he would not willingly hurt anyone. As the manager of a mine or factory, Smith deals with men as if they were pawns or pieces of machinery, he arrogantly denies them self-expression, he hires thugs and spies, he pays wages on which men cannot live decently, he lays men off the moment he can no longer employ them at a profit. To some extent the worker also has a double moral standard, one for dealing with his family and fellow-workers, another for bosses and scabs.

Now what will be the result of persistently turning upon such facts as these upon the various phases of our industrial life, the light of our highest ethical principles? For one thing, it must then eventually grow clear to all honest men and women that a system based on unrestrained economic competition, on the principle of buying in the cheapest market and selling in the highest, inevitably involves people in a double moral life. It sets employer against employer. It sets the worker to fighting his fellow-worker for a job. It sets worker and employer to fighting each other. The one buys labor as cheaply as he can, if he is to compete successfully; the other sells his labor as dear as possible and gets his wages for as cheap a return as possible. If it appear that neither workers nor employers are wicked men trying in malice or in ignorance to kill each other, that both are entangled in a stupid system which it may not be to the immediate financial interest of the employer to change

but which it is to his moral interest to change, to alter which may deprive some of individual profits but must ultimately mean increased well-being, wholeness of soul, for all, will not all men and women of good will be to some extent impelled to work together for desirable social changes? And will not some of the personal bitterness that now marks the so-called struggle between capital and labor be eliminated when the capitalist understands the moral implications of his position, and when the worker understands that the capitalist is in no slight degree the victim with him of a stupid economic order?

Again, the workers' struggle to improve their conditions and to gain increasing control over their life and work is bound to continue. Nothing can stop it. Nothing ought to stop it. If the masses of men are coming of age and beginning to think, speak and act for themselves, let all honest souls rejoice. Now although the upward movement of the workers must ultimately mean greater well-being for all, it will in the first instance certainly mean less of special privilege, arbitrary authority and personal profit for some. History makes it sufficiently clear that privileged groups are likely to hold to their privileges very tenaciously, and that privileged ones determined to cling to privilege, arrayed on the one hand, and unprivileged ones determined on freedom, arrayed on the other, means costly conflict. So long as possessors of privilege have clear consciences they will fight to the end. It is a possible function of the Church to show that the moral position of privileged classes today is not tenable, to stir up their consciences, and to remove their moral foundations from under them, by showing them what it would mean if we applied to social relations the same standard that we do apply in

many personal relations so that they may be willing to yield gradually to social change. American workers certainly do not crave a fight nor a bloody revolution, but even in America the result of blind reaction and desperate clinging to special privilege at any cost, cannot be looked forward to with equanimity.

This, then, sets forth my conception of how a number of radical workers think the Church may function in the present industrial situation. They do not ask the churches to go into the business of organizing workers. They do not expect the churches to take sides in most industrial struggles. They do not ask the churches for approval of all that labor may do. They do not ask

to be excluded from moral criticism. But they do not want to see the churches standing by indifferent or entirely absorbed in contemplation of heaven, while the devil runs the earth, or throwing the weight of their moral influence on the side of labor's enemies. They should like to see the Church find and insist upon the publication of Facts, Facts, Facts. And they should like to see the churches persistently study and proclaim the ultimate moral implications of what goes on in our turbulent industrial life.

Whatever may be the case in other lands, it has been abundantly demonstrated that in America, when the Church does these things the workers will listen with respect and gratitude.

The Churches' Ministry to Workers

By REV. G. S. LACKLAND

Pastor, Grace Community Church, Denver, Colorado

"I THINK I know where labor has made its mistake," declared C. M. Moore, former president of Colorado State Federation of Labor, in Grace Community Church, Denver, Colorado May 7, 1922. "Labor has failed to have the dynamic of brotherhood. We have been too ready to use the strike and too frequently have failed to apply the Golden Rule by methods of conciliation. My greatest regret is that I did not know the possibilities of Christianity for human emancipation. Had I but known, my twenty years of service in the labor world would have been much more effective." The vast congregation thundered their approval when he concluded.

Organized labor constitutes the greatest untouched field that Christianity has in America. If a prophet should arise and tell of a foreign field of twenty millions of folks who are untouched by the Church, instantly appeals would be made and a statesmenlike program outlined. Yet in the ecclesiastical world there is not an intelligent effort being made by any denomination to reach the labor group as such.

Ministers elbow each other trying to be popular with business circles. There is a great waiting list of pastors seeking admission to business men's clubs. Yet in the average city it is safe to state that 90 per cent of the ministers have never been inside of a union hall.

It is not necessary for a Church to maintain a bias toward labor to reach this group. Labor does not usually ask for special privilege. They want equal consideration. In some instances, where the industrial conflict has been

bitter, it is absolutely essential for the Church to face the facts and send chaplains to both armies.

No Church emphasizing a denominational appeal can successfully reach the labor group. There is no church in America but would be glad to receive labor into its folds for what labor could do for the Church. *The Great Need is for the Church to Challenge the Labor World for What We Can Do for Labor.*

WHAT TO DO

The message of the Church must be very simple and clear cut. First we must place the child in its midst. We must insist that the first consideration for industry, government and society in general is a square deal for the child. Any conditions which prevent the fullest possible development of childhood are positively antichristian and should be condemned unsparingly. With but one per cent of our young people in college during the period of the greatest mental activity, viz., from sixteen to twenty-four years of age, our industrial situation is full of complexity. Most of labor's sins can be charged to under-schooling of its leaders. If the Church does not stand for abundant life for all children its message is a farce and will be repudiated by the millions of workers.

The Church must know its community. How otherwise can it minister to a group, whose needs it does not know? It should support every civic agency that is building the manhood of its constituency. It must denounce as unchristian every organization and custom which cramps or dwarfs human personality.

If a Church is to reach workingmen it must go to them. Union halls are open to the public. Every ministerial association should send a fraternal delegate to the central labor body. This has frequently been done. But has the Church been as urgent in requesting labor to send fraternal delegates to ecclesiastical meetings?

If the leader should meet with either insult or rebuff he should manifest a patient Christian spirit. Let him reflect that for twenty years most of the pastors reported in the press have been antagonistic to organized labor. Labor has been alienated for thirty years and it cannot be won back in a few weeks. Labor is doing the fair thing if it puts the Church on trial. Let the Church welcome investigation as to the fairness of its attitudes on industrial matters.

How to Do It

The rank and file of labor are not aware that the Protestant, Catholic and Jewish Sects have declared themselves on industrial problems. The reading of these statements will always produce an electrical effect. The Church will fail (and it ought to fail) if it offers a program to labor with anything but an unselfish desire to aid in the struggle for a better world.

No question arouses the ire of the writer more than "what gain has your Church received as a result of your activities in the labor world?" Shades of Him who took the Towel! Has profit so gripped the world that even the Church will not lose its life in order to find it? Any selfish desire on the part of the Church will doom any program presented to labor. That is just exactly what laborers are suspicious of.

The Open Forum Movement presents the best means of reaching the labor world. If there is no open forum in a city by all means make the forum a community organization.

The Denver Open Forum is operated by a Committee of One Hundred. Fifty of these are delegates from as many labor bodies. The other fifty include the Governor of Colorado, the Mayor of Denver, representatives from the American Legion, Parent-Teachers' Association, Woman's Clubs, Teachers' Associations, each denomination, etc.

Visiting over one hundred unions in appealing for free speech and open discussion which the Forum provides proved to be an ideal introduction to the labor world. Our Forum operates from October to March inclusive on Sunday afternoons. It is held in the church auditorium. Announcements are welcomed by labor organizations. One half the audience is from this group. They have frequently sent liberal contributions for the support of the Forum.

In the Forum several leaders of various types of religious movements have appeared as speakers. The result has been that the keenest leader of Denver radicalism stated publicly: "The Church is the best friend labor and the liberal movement has."

Community crises are opportunities for the Church to demonstrate its power of reconciliation. The first time that Jews, Catholics and Protestants ever united in Denver was to obtain the facts in the Denver tramway strike. This did more to bridge the gap between capital and labor than anything that has occurred in a generation.

Churches should seek to put their property at the service of the labor movement as well as of other civic bodies. A hotel refused labor its auditorium for the purpose of presenting its views on the open shop. Grace Church instantly offered its auditorium, realizing that free speech was at stake.

Churches with adequate equipment

for religious education are in splendid position to house the new Labor-Educational Movement. What labor will be tomorrow depends upon the ideas of the younger group. Left to chance they may be noisily and inefficiently radical with no balance to prepare them to assume a greater management in industry. What avail would political or direct action be if by securing direction of industry they found themselves unable to manage it? The British Labor Movement realizes that to be given control of the industries today would be disastrous. They have not enough trained executives.

Employing groups are welcoming this new educational movement. It is making more efficient workers and gives the employer a more broad-minded group with which to bargain collectively. In Denver, under the leadership of Rev. C. C. Webber, a Labor College has been started. The men insisted that Grace Church was the best meeting-place in the city. The second semester saw a doubled enrollment.

During the strike of the packing house employees, a group of pastors organized an extension of the Labor College and went to the strikers' hall every day and taught the men who otherwise would have been idle. Various subjects were discussed. To behold four hundred men studying international problems for an hour at a time instead of rumbling discontent, is a new spectacle in the labor world.

Labor evangelism is still in its infancy. Men like Dr. Harry F. Ward, Charles Stelzle or J. Stitt Wilson can attract thousands of toilers to a course of lectures. Were this done by local pastors either individually or collectively the harvest would be enormous. Last winter a church in Denver put on a course of four lectures for

labor and the church was crowded. Even a blizzard did not dampen their ardor. At the conclusion the crowd requested the pastor to make it an annual affair.

Men's Adult Bible Classes can do a splendid piece of work by inviting labor leaders to address them and then inviting the particular organizations to which these men belong to attend and hear them. The labor group not infrequently invites ministers to address them with the hope of awakening the preacher to their problems. Let the Church reverse the process.

The labor world needs and craves social life. The churches have not in the past furnished this. We have been too busy uttering condemnations of improper amusements to take time to afford clean and wholesome recreation. A community house is a necessity to every city church. Why permit the play life of young people to be commercialized? It is as sacred as their educational life. It plays just as great a part in their character formation and general development. Last year in the community activities of Grace Church over seventy-six thousand young people were ministered to.

The church school has an opportunity to form groups from men and women who are not affiliated with any church group. Let them discuss their own ideals in the light of Christian principles. Many a so-called agnostic has declared in our Open Forum Men's Bible Class: "I believe in Christianity of the kind this class advocates as much as any member."

The Church has done too much talking and too little listening. The masses today know what they want. The Church would do well to stop and listen to them. Dr. Gordon's church in San Francisco is crowded Wednesday evenings because he answers questions that the people propound to him.

The Church must be careful that it practices its own social creed in its relationship as an employer or purchaser. But a fraction of church publications bear the union label. Not many churches employ union labor. It would pay vast dividends, however, if the Church would begin intelligently to lead the way in the practice of its social ideals.

Contrary to general and prevailing opinion, the labor group does not want its sins ignored. It loves a two-fisted personality. It has a keen sense of humor. Hold up its faults in caricature and you will instantly obtain a response. Whatever else labor may be, it is *not* sensitive. It will take more criticism joyfully than any existing organization. It criticises itself more frequently and vigorously than any other group. Let any preacher announce for two weeks that he will preach on "What's the Matter with Organized Labor," send an invitation to the labor groups and he will have a full house—mostly workers. Let him reverse the process and announce he will speak on "What's the Matter with Business," invite the Chamber of Commerce, and see how many leading business men are searching for the light!

A GOOD WILL COUNCIL

The greatest field for church activity is in that of conciliation. Herbert Hoover said recently in Denver, after trying to adjust the water claims of various states in the Colorado River basin, "this is no job for an engineer, it is a task for an evangelist."

The day is rapidly approaching when the industrial engineers will recognize the need of good will in the settling of industrial disputes. Put human souls ahead of other considerations and labor disputes can soon be amicably adjusted.

In December 1920, after an appeal by a minister the Denver Trades and Labor Assembly passed the following resolution:

Whereas, capital and labor are rapidly drifting toward a condition of industrial warfare which will be disastrous to the general welfare of America, and,

Whereas, we believe that it is the duty of men to reason together rather than to blindly seek selfish advantage, and

Whereas, labor is willing to rest its case upon the application of the Golden Rule and the teachings of the Carpenter of Nazareth; therefore

Be It Resolved, That we, The Trades and Labor Assembly of Denver, invite the employers of Denver, to appoint a committee of six members to meet with representatives of the Trades and Labor Assembly and form a Good Will Council. This body shall select a thirteenth man by mutual agreement to be the presiding officer. We suggest that this Good Will Council meet every two weeks. To this body any industrial dispute or difficulty may be referred.

After slumbering in the archives of the Chamber of Commerce for a year, this resolution was brought to the attention of the members by this minister. The members demanded action. The committee approved. It may mean the beginning of a new era in the industrial world.

Labor is changing its attitude toward the Church. Frank Morrison recently stated that the Church was the only organized body which had consistently stood for collective bargaining during the so-called Open Shop Movement. To arouse the dormant spiritual impulse underlying the labor world is surely a task with which to challenge our Christian young people. All over the West, college men are responding to the appeal for a new type of ministry in behalf of the common people. We have known men to sacrifice three months pay during a sympathetic strike. It may be foolish and quixotic,

but of such daring was the program of the Man of Galilee.

Grace Church has over two hundred members of organized labor on her roll as members. Many are on her Official Board. The response is growing all the time. If Vanderlip and Schwab are correct in stating that the future will see the direction of industry come more and more into the hands of the labor group, the Church must face this fact or pay the price in the tomorrow.

The conclusion of *The Inside of the Cup* is being challenged today. Men do not have to sell their souls to remain in the ministry. The Eldon Parrs of yesterday are not as essential even as figureheads as they were. The Church is supported by the masses. The man on the outside will listen to the voice of a daring prophet fighting with a religious passion for social justice. The Church must save the people or make way for a religious organization that will.

The Pastor and the Workingmen of His Parish

By REV. EDWIN V. O'HARA, LL.D.

Former Chairman, Oregon Industrial Welfare Commission

THE relationship of the pastor to his people is such as to warrant particular interest on his part in the welfare of the workingmen of his parish. Few Catholic parishes will be found in industrial centers in which the laboring men do not constitute a very large percentage of the congregation. The obvious duty of entering into the problems of his laboring men, incumbent on the Catholic priest, has, moreover, been more than once enforced by specific instructions from the Sovereign Pontiff. In his famous encyclical on the "Condition of the Working Classes," Pope Leo XIII, after setting forth the social program of the Church, concludes by explicitly placing on the clergy, in union with their bishops, the task of persistent and energetic action in behalf of the laboring class. He writes: "Every minister of holy religion must throw into the conflict (in behalf of social justice and charity) all the energy of his mind and all the strength of his endurance." Similar injunctions have been addressed to the clergy by Pius X and Benedict XV.

In fulfilling these injunctions the pastor will find that his activities in behalf of his workingmen will fall into three general channels, the currents of which flow largely in the same direction and frequently converge. These channels are education, organization, and legislation.

EDUCATION

It will be the duty of the pastor in industrial centers to explain to his people clearly and frequently the Christian laws of justice and of charity as they affect employer and employee. He

will point out with Leo XIII that a great error in the discussion of industrial problems is to possess one's self of the idea that class is naturally hostile to class; that rich and poor are intended by nature to live at war with one another. On the contrary, each requires the other; capital cannot thrive without labor, nor labor without capital. He will go on to teach that religion requires the laboring man to carry out honestly and well all equitable agreements fairly made; never to injure capital, nor to outrage the person of an employer; never to employ violence in representing his own cause, nor to engage in riot and disorder. Religion, he will continue, teaches the employer that his working people are not his slaves; that he must respect in every man his dignity as a Christian; that labor is nothing to be ashamed of, but that it is shameful and inhuman to treat men like chattels in order to make money, or to look upon them as merely so much muscle or physical power; that the employer must see that his workmen have time for their duties of piety and the obligations of their family life; that they must not be taxed beyond their strength or employed in work unsuited to their sex or age; that the workmen are entitled to a living wage, and that to exercise pressure for the sake of gain upon the indigent and destitute, and to make one's profit out of the need of another, is condemned by all laws, human and divine. These principles will be the staple of instruction by which the pastor will seek to educate his people to a Christian conscience in regard to the relations of employers and workmen; for, "were these precepts

carefully obeyed and followed out," asks Leo XIII, "would not strife die out and cease?"

But the pastor cannot be satisfied with mere instruction and exhortation. This was thoroughly understood by Bishop Ketteler, when he put into the mouths of the infidel workmen of his day the following words: "Of what use are your fine teachings to me? What is the good of your referring me by way of consolation to the next world, if in this world you let me and my wife perish with hunger; you are not seeking my welfare, you are looking for something else."

ORGANIZATION

It will devolve on the pastor to undertake to assist his workingmen by organization and legislation. Most of the progress made by the working classes in recent time has been due to organization, and it will be the duty of the clergy to encourage every form of workmen's association which legitimately promotes the workmen's interests. Much has been written concerning freedom of contract and the importance of allowing each man to bargain for himself. After a long and painful struggle the workingman has realized that there is no equality of bargaining power when the individual workman is pitted against the large employer. For freedom of contract it is necessary that the workingmen combine and bargain collectively with their employers, so that there may be some semblance of equality between the two contracting parties. The so-called American plan whereby the employer refuses to deal with his employees collectively is, under a specious pretense of liberality, merely a hollow sham. The power of the employer to withhold bread is a vastly greater advantage than the power of the individual employee to refuse to labor. To speak of

freedom of contract between the individual employee, whose family may be on the verge of starvation, and the modern accumulation of capital that seeks to employ labor, is simply grotesque humor. The importance of workmen's associations is set forth by Leo XIII and the encouragement of labor unions will properly claim the interest of the parish priest.

It will, however, not be sufficient to encourage the organization of labor associations, and to promote an increase of their membership, but it will be necessary for the pastor to impress upon the members of the unions who belong to his own congregation the importance of electing good men to leadership, and of recognizing that the union is not merely an economic institution but has moral aspects as well. Perhaps the gravest injury done to the cause of labor in our time has been through unprincipled leaders and a disregard of the moral principles which must provide the basis of permanent association.

In the field of coöperation laboring men have successfully maintained stores which have proven a boon to their members. One form of coöperation deserves especial attention: namely, the establishment of a coöperative credit association in a parish which will free the laboring man from the clutches of the loan shark, and will enable him to secure necessary advances of money on reasonable terms and without placing him in the power of the lender. Finally, the establishment of parish study groups among laboring men will be found of great service as a means of inculcating Christian principles in regard to these economic issues.

LEGISLATION

The utility of organization cannot be questioned. Nevertheless, there are limits to its successful activity. There

are great groups of working people whom it is difficult to organize, and up to the present only a comparatively small percentage of workers are actually organized. It is the duty of the state to prevent any class of the population from becoming submerged, and consequently the pastor will, in his solicitude for his people, urge the necessary legislation to protect them. The problem of the inadequacy of women's wages is present in most American cities, and the program for minimum wage legislation should secure the hearty cooperation of the clergy.

Experience has shown that such legislation is not attended by the disadvantages which are commonly urged against it. A word of caution, however, should be uttered in regard to the arguments which should be used in urging minimum wage legislation. There is a temptation to make a sensational appeal setting forth the moral dangers which surround inadequately paid young women in industry. The difficulty with this line of argument is that it is largely an insult to the workers whose status is to be improved, and it leads to a neglect of the substantial fact that these underpaid workers are living on insufficient food, are badly housed and poorly clothed.

A similar interest will be manifested by the pastor in the limitation of hours of labor, both of women and of men, especially in the prohibiting, as far as possible, of Sunday work and of late night work. I recall that when the Industrial Welfare Commission of Oregon first entered a ruling prohibiting work for women after six p.m. in the department stores, many young women had for the first time in months a rea-

sonable opportunity to go to church Sunday morning.

Workmen's compensation legislation has now come in most of our states, and with it the abolition of the common law pleas of contributory negligence and assumption of risk, which enabled the liability insurance companies to prevent the injured workman from receiving compensation; but the principle of compensation needs to be maintained and extended, the importance of safety devices on machinery insisted upon, and many occupational diseases should be brought under the operation of compensation.

The pastor will be concerned, also, with the living conditions of his working people, and will feel it his duty to promote an adequate housing code, which will require the homes of his people to be furnished with sufficient sunlight and fresh air, and open spaces for children's recreation. It will be necessary to resist the wild and unscrupulous advertising of city commercial clubs, which lead multitudes of unskilled laborers to congregate in congested centers, flooding the labor market and overcrowding the tenements. I have attended dying men in workingmen's hotels in rooms where no light but that cast by the flickering flame of the gas jet ever penetrated. Such conditions will be found wherever there is a lack of adequate housing legislation, or a neglect of its enforcement.

The pastor, too, will be interested in the promotion of legislation regulating employment bureaus, preventing the exploitation of men who pay for their jobs. The old story of the three groups of men on a job, the one going, the one coming, and the one working, is a grim commentary on unregulated employment offices.

Policy and Program of the Protestant Churches

By REV. WORTH M. TIPPY

Executive Secretary, Commission on the Church and Social Service, Federal Council of the Churches of Christ in America

THE last two decades have witnessed what amounts to a revolution in the attitude of the Protestant churches towards industry. Prior to that time, the churches as a rule took little account of the organized human relationships within industry, and had few purposeful contacts with its great affairs. They had scarcely begun as yet to examine its unchristian aspects and the effects of these upon the happiness and well-being of the masses. Only its adventurous minds were at work on the concept of an industry motivated by a concern for human welfare and organized on Christian principles.

But manifestly a new day has dawned and a new spirit is in the churches. It came so quietly that few were aware of its presence, or that the churches had struck their tents, until the summer of 1920, when the Interchurch World Movement issued its Report on the Steel Strike of 1919. Then came, a few months later, the Pastoral Letter on the Open Shop Movement, issued by the Federal Council of Churches, and a similar protest from the National Catholic Welfare Council. Industry awakened to the presence of a new force in its midst and of what seemed at first to most business men an alien, uninformed and unfriendly force, although it is to be hoped that this feeling will pass away and is passing away. In these and subsequent actions by the churches, a remarkable thing had taken place. Leaders of great industries found themselves called to account by their spiritual advisers, and their amazement and indignation were naturally un-

bounded. A violent controversy ensued, which, while regrettable, was inevitable and necessary if the Church was to have permanent influence. An unfortunate effort was made to stifle the new voice by the use of personal influence, by the financial boycott and by striking at the cooperative leadership of the Protestant denominations. But these efforts served only to arouse the churches, to hasten the work of education, and to consolidate influences which otherwise might have been slow in coming together. The churches are now emerging from a certain discipline of adversity with their function better understood by others as well as by themselves, their program measurably advanced and with a manifest gain in public influence. They will be recognized finally as a sympathetic and constructive force for industrial progress.

The main outline of the industrial policy of the Protestant churches is now fairly well defined, although not uniform. It must be kept in mind that the great Protestant communions are not all federated, that each has a policy of its own which is colored by its historical development, that some are farther advanced and better organized than others in their social relationships, and that sharp divergencies in social theory sometimes make effective cooperation difficult. But points of view pass swiftly from pulpit to pulpit and from church to church in the Protestant group and their teachings tend to converge. The self-conscious organizing center is in the Commission on the Church and Social Service of the

Federal Council of Churches, in which the denominational departments having to do with industry are coöperating. When, therefore, one attempts to state the policy and program of the Protestant churches relative to industry, it must be understood as a statement of the coöperation which exists in the Commission on Social Service, and as an estimate of what exists outside the Commission.

POLICY OF THE PROTESTANT CHURCHES

The industrial policy of the Protestant churches is definitely expressed for the coöperating group and fairly expressed for the others in the so-called "Social Creed of the Churches," which has been adopted in slightly varying forms by several Protestant bodies and by the Young Men's Christian Association and the Young Women's Christian Association. This statement follows:

Resolved: That we reaffirm the social platform adopted by the first Quadrennial in Chicago, 1912, and ratified by the Second Quadrennial in St. Louis, 1916. That the churches stand for:

- I. Equal rights and justice for all men in all stations of life.
- II. Protection of the family by the single standard of purity, uniform divorce laws, proper regulation of marriage, proper housing.
- III. The fullest possible development of every child, especially by the provision of education and recreation.
- IV. Abolition of child labor.
- V. Such regulation of the conditions of toil for women as shall safeguard the physical and moral health of the community.
- VI. Abatement and prevention of poverty.
- VII. Protection of the individual and society from the social, economic and moral waste of the liquor traffic.
- VIII. Conservation of health.
- IX. Protection of the worker from dangerous machinery, occupational diseases and mortality.

X. The right of all men to the opportunity for self-maintenance, for safeguarding this right against encroachments of every kind, for the protection of workers from the hardships of enforced unemployment.

XI. Suitable provision for the old age of the workers, and for those incapacitated by injury.

XII. The right of employees and employers alike to organize; and for adequate means of conciliation and arbitration in industrial disputes.

XIII. Release from employment one day in seven.

XIV. Gradual and reasonable reduction of hours of labor to the lowest practicable point, and for that degree of leisure for all which is a condition of the highest human life.

XV. A living wage as a minimum in every industry, and for the highest wage that each industry can afford.

XVI. A new emphasis upon the application of Christian principles to the acquisition and use of property, and for the most equitable division of the product of industry that can ultimately be devised.

The Federal Council in the spring of 1919 adopted four additional resolutions which have become a part of its social and industrial platform.

Facing the social issues involved in reconstruction, *Resolved:* That we affirm as Christian churches:

1. That the teachings of Jesus are those of essential democracy and express themselves through brotherhood and the coöperation of all groups. We deplore class struggle and declare against all class domination, whether of capital or labor. Sympathizing with labor's desire for a better day and an equitable share in the profits and management of industry, we stand for orderly and progressive social reconstruction instead of revolution by violence.
2. That an ordered and constructive democracy in industry is as necessary as political democracy, and that collective bargaining and the sharing of shop control and management are inevitable steps in its attainment.
3. That the first charge upon industry

should be that of a wage sufficient to support an American standard of living. To that end we advocate the guarantee of a minimum wage, the control of unemployment through government labor exchanges, public works, land settlement, social insurance and experimentation in profit sharing and coöperative ownership.

4. We recognize that women played no small part in the winning of the War. We believe that they should have full political and economic equality with equal pay for equal work, and a maximum eight-hour day. We declare for the abolition of night work by women, and the abolition of child labor; and for the provision of adequate safeguards to insure the moral as well as the physical health of the mothers and children of the race.

Accompanying these resolutions was a statement on The Church and Social Reconstruction. These documents have been interpreted and supplemented by subsequent statements such as that on the Open Shop Movement in January 1921, and the annual Labor Sunday Messages. We consider that these statements form a sound platform for effective action. In the statement on The Church and Social Reconstruction and in other declarations the Federal Council has recognized that coöperation between employer and employee is not limited to any one form of relationships, but includes the unions, shop councils and still more democratic forms, and that a certain freedom of experimentation is essential to industrial progress.

A significant paragraph appears in the statement in Social Reconstruction:

One high value which comes with the participation of labor in management is that it makes possible again the hearty coöperation of all engaged in an industry and a new era of good will. Therefore, along with the rights involved in social justice go corresponding obligations. With the development of industrial democracy, the evidences of which are all about us, and the coming of the short work day, the im-

portance of genuine coöperation in industrial processes and efficient production must be impressed upon large numbers of workers. As the worker tends to receive approximately what he produces, it must become apparent that what he has for himself and family, and the social surplus upon which depend the great common undertakings of society, are directly related to the productivity of his own labor, as well as finally to the length of the working day.

With regard to the open shop, the statement by the Federal Council issued in January, 1921, was a protest against the use of the open-shop slogan to break up labor organizations. This was and is considered to be against the legitimate rights and welfare of labor, and against a sound industrial policy. The Federal Council is convinced of the necessity for labor organization, but it has never stood for the closed shop, and does not favor it. It stands rather against coercion by either side and for educational methods under a coöperative leadership. It does not believe that the 100 per cent union shop is essential to the safety of the union, and it is convinced that to attempt to force it is in the long run against the welfare of labor itself. But not only will a genuine open shop avoid discrimination against members of labor unions as individuals, but it is also quite consistent with regular dealings with unions.

One other important phase of Protestant policy is to seek for coöperation with other religious bodies, especially with Catholics and Jews. This has grown out of two convictions: first, that religious controversy is distinctly anti-social; and second, that there is imperative need of united action on great social issues by the total religious community of the nation. These convictions led the Federal Council to secure coöperation with the Catholic Welfare Council and the Jewish Board of Welfare during the

War, and the same spirit has been expressing itself in coöperation between the same groups on the coal crisis. At least to this extent the people of the nation are now receiving united spiritual counsels in a new and significant form of pastoral letters.

PROGRAM OF ACTION

The industrial program of the Protestant group is now fairly definite but is still in process of development. It is first of all a program of education, which has set out to introduce Christian principles into industry, to educate in those principles all who come within the range of the Church's teaching, and make their meaning clear by abundant illustration. To accomplish this, the entire educational equipment of the churches, colleges, seminaries, church press, pulpits, Sunday Schools and special study groups, is being used. A most significant coöperation in the preparation of educational material has been brought about by the Federal Council's Educational Committee, which includes not only the social service departments of the several church bodies, but the International Lesson Committee and the two Christian Associations as well.

The semi-monthly *Information Service* and monthly *Book Review Service*, issued by the Research Department, are now going to over two thousand pastors, editors, seminary and college libraries, and to leaders of industrial management and of labor. Already several important books, pamphlets and study courses have been given to the churches.

In pursuance of this educational program there has been developed research into industrial facts and happenings, especially into critical situations such as exist at present in the coal, transportation and textile industries. In the main this is directed toward the collection of fact material for the in-

formation of the churches from existing dependable sources of information; but the Research Department occasionally does first-hand investigation where the situation demands it, as, for example, in the Denver tramway strike.

The churches are also studying the unchristian aspects of industry as now organized and managed. The Methodist Federation for Social Service has taken the lead in this undertaking and the new Fellowship for a Christian Social Order will specialize in the same field. A notable conference was held by the Methodist Federation at Evanston in May, devoted largely to this problem, and another is announced by the Social Service Department of the Congregational Church.

The final phase of the program is the development of field work. This has taken the form of conferences in industrial centers, of which up to the present time thirty-four have been held. It is contemplated to extend these as rapidly as possible to every industrial center in the United States. The purpose of the conferences is to reach pastors, business men, labor and social workers, and to make whatever contacts are possible with colleges, seminaries, women's organizations and other influential groups. The main effort is to assist pastors to prepare themselves more effectively to interpret Christian principles to industry and to exert their personal influence for Christian leadership in industry. They are organized in groups to study factories at first hand, to read together, to act concertedly in industrial crises. The message of the conferences to business men and the labor councils is fundamentally the same; namely, the platform of the Sermon on the Mount, concentration of human development and opportunity, industry as a service to this end; coöperation instead of fighting; good will and fair dealing. The social service

secretaries of a number of religious bodies are coöperating in these conferences. Progressive business men who are working out these principles in their industries and progressive leaders of labor who believe in them also are being used to present the more technical aspects of industrial organiza-

tion. The Church is learning also that it is a natural convener; and it is holding an increasing number of conferences in New York and in communities in which leaders of industry and of labor come together informally at the invitation of the Church, to discuss together the personal problems of industry.

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The Program and Activities of the National Catholic Welfare Council

By REV. R. A. MCGOWAN

Assistant Director, Social Action Department, National Catholic Welfare Council

THE labor program of the National Catholic Welfare Council is based upon the Program of Social Reconstruction, which was issued by the bishops who administered the National Catholic War Council, and upon the section entitled Industrial Relations in the Pastoral Letter of the American Hierarchy. The first of these is the more famous and has come to be known as the Bishops' Program. The Pastoral Letter contains fewer details than the Bishops' Program, but the salient principles of both are the same.

WAGES

Both insist upon the family living wage which includes, according to the Pastoral Letter, "not merely decent maintenance for the present, but also a reasonable provision for such future needs as sickness, invalidity and old age." The Bishops' Program says that "the laborers' right to a living wage is the first moral charge upon industry," and that while the employer has a right to get a reasonable living out of his business, "he has no right to interest until his employees have obtained at least living wages." The Bishops' Program emphasizes that this is only the minimum of justice. It urges that the general level of wages reached at the end of the War should not be lowered; first, because before the War a considerable majority were not making living wages; second, because wages did not increase faster than the cost of living; third, because a living wage is not the full measure of justice; and fourth, because it is economically sounder and humanly fairer to pay

better than living wages in a country as rich as ours.

As regards women workers, the Bishops' Program says that "those women who are engaged at the same tasks as men should receive equal pay for equal amounts and qualities of work." It adds that the proportion of women in industry should be reduced to the smallest practicable limits.

UNIONS

The Pastoral Letter reaffirms "the right of the workers to form and maintain the kind of organization that is necessary and that will be most effectual in serving their welfare." The slightly but not materially changed form found in the Summary of the Bishops' Program expresses the hope "that the right of labor to organize and deal with employers through chosen representatives will never again be called into question by any considerable number of employers." Labor unions, according to the Pastoral Letter, have been and still are "necessary in the struggle of the workers for fair wages and fair conditions of employment."

CONCILIATION AND ARBITRATION

Issued shortly after the armistice, the Bishops' Program urged that the War Labor Board be retained as an instrument for securing a measure of industrial peace. Its principles, methods and results constituted, it was declared, "a definite and far-reaching gain for social justice." The Pastoral Letter insists especially upon industrial arbitration. "A dispute," it reads,

"that cannot be adjusted by direct negotiation between the parties concerned should always be submitted to arbitration."

WORKS COUNCILS

As a means of establishing greater peace between employers and employees the Pastoral Letter recommends that labor unions should be supplemented "by associations or conferences, composed jointly of employers and employees, which will place emphasis upon the common interests rather than the divergent aims of the two parties, upon coöperation rather than conflict." The common ground upon which they can unite is declared to be those matters of industrial management which directly concern the employee and about which he possesses helpful knowledge. The Bishops' Program brings forward the same recommendation. It says that "labor ought gradually to receive a greater representation in the industrial part of business management, the control of processes and machinery, nature of product; engagement and dismissal of employees; hours of work, rates of pay, bonuses, etc., welfare work; shop discipline; relations with trade unions." In effect both the Pastoral Letter and the Bishops' Program advocate that in addition to the influence which working people possess through collective bargaining, they should share in the industrial management. The Pastoral Letter says that this would benefit the workers, the employers, and the general public.

SOCIAL LEGISLATION

While the Pastoral Letter includes legislation as one of the methods of righting social wrongs, it does not advocate any particular piece of legislation. The Bishops' Program, on the other hand, recommends a far-reaching

program of social legislation, including minimum-wage laws, social insurance, federal employment bureaus, municipal housing, etc.

On the living-wage law it says that "the several states should enact laws providing for the establishment of wage rates that will be at least sufficient for the decent maintenance of a family, in the case of all male adults, and adequate to the decent individual support of female workers."

Ultimately the legal wage rate should be a "saving wage," and should allow for future contingencies. Meanwhile, social insurance should provide for illness, invalidity, unemployment and old age. To such an insurance fund the state should contribute very little, and that much only temporarily, and workingmen should contribute nothing unless they are making enough already to meet the present needs of a family. The fund should be raised by a levy on industry for "the industry in which a man is employed should provide him with all that is necessary to meet all the needs of his entire life."

THE GUILD SYSTEM

The Pastoral Letter in its section on industrial relations does not mention, except by implication, socialism or common ownership. A short passage is all that is given to it in the Bishops' Program, where it says that socialism will probably never come, and if it does, it will mean bureaucracy, political tyranny, etc. Instead, both the Pastoral Letter and the Bishops' Program insist upon a sound and deep reform of private ownership along the lines of the guild system of the Middle Ages.

The heart of the recommendation, in the words of the Bishops' Program, is this: "The majority must somehow become owners, or at least in part, of the instruments of production." The ma-

majority of the workers are not to remain "mere wage-earners." "To a great extent the abolition of the wage system" is involved and until this situation is reached we cannot "have a thoroughly efficient system of production, or an industrial and social order that will be secure from the danger of revolution."

The Pastoral Letter approaches the question from another angle to reach the same conclusion. It is seeking a remedy for the division of "society into two widely differing castes" of which one "holds power because it holds wealth" while the other is "the needy and powerless multitude." Following Pope Leo's recommendation and the spirit of the Church in building up the guilds of the Middle Ages, the Pastoral Letter says that the underlying principle of the economic arrangements of the Middle Ages "is of permanent application and is the only one that will give stability to industrial society." It says further that the underlying principle of the economic arrangements of the Middle Ages was that the persons who worked owned the lands and the tools with which they worked.

The Bishops' Program points out that the working people can be enabled to reach the stage of ownership through coöperative productive societies and copartnership arrangements. The Pastoral Letter does not indicate any specific method; it contents itself with urging that the desired changes be realized as rapidly as conditions will permit.

ACTIVITIES

Labor matters are entrusted by the Welfare Council to its Social Action Department under the directorship of Rev. John A. Ryan, D.D. The work done is chiefly educational.

Three books have been published in the Social Action Series. The first is

The Church and Labor, by Dr. Ryan and Rev. Joseph Husslein, S.J., a volume consisting largely of documents issued by Popes, Bishops and the Hierarchy of various countries. In addition to an introduction which collects the teachings of the various doctrines into a synthesis, the pioneer work of Bishop Ketteler and Frederic Ozanam is described. The second is *The Social Mission of Charity*, by Rev. Wm. J. Kerby, Ph.D., an original work detailing the purpose and the meaning of charitable activities. The third, just published, is *The State and the Church*, by Dr. Ryan and Rev. Moorhouse F. X. Millar, S.J., which deals with the nature and purpose of political government and, therefore, includes a section on the relation of the state to industry.

Four pamphlets have also been issued, *Capital and Labor—Methods of Harmony and Conciliation* by Rev. John A. Ryan, *Bolshevism in Russia and America* by Rev. R. A. McGowan, *A Catechism of the Social Question* by Revs. John A. Ryan, D.D., and R. A. McGowan, and Cardinal O'Connell's Pastoral on *Religious Ideals in Industrial Relations*.

Besides these publications, a weekly news service on current events in the world of labor is sent to Catholic papers, the labor news service and the general press services. Liberal use is made of the Bishops' Program, the Pastoral Letter and the encyclical of Pope Leo "On the Condition of Labor." An attempt is frequently made to make an appraisal of the effect of various events as they arise and the Bishops' Program, the Pastoral Letter and Pope Leo's encyclical are quoted in defense or in condemnation of proposals, facts, movements, etc., in the world of labor. A section of the *N.C.W.C. Bulletin*, a monthly magazine, is also edited by the Social Action

Department, and space is given to general articles on labor and to news and comment on industrial relations.

A particular piece of work that went beyond the ordinary was the condemnation of the open shop drive in its infancy early in November 1920. This was before other organizations had come to the rescue of the working people and the labor unions in their resistance to wage cuts and the attacks upon their unions. A reply to the *exposé*, published in an obscure journal and distributed broadcast through the mails at great expense, brought further details from the Social Action Department of the real purpose behind all the propaganda about the freedom and Americanism of the open shop. A later statement was issued protesting against wage cuts as subversive of the principle of a living wage. Week by week, however, the attempt has been made to assist the working people in their struggles of the past two years in the various strikes and controversies that have arisen, and to point the way to the solution of the labor problem which Catholic social teaching indicates.

About thirty-five social study clubs were established last winter with the assistance of the Social Action Department. These study clubs meet weekly and discuss informally what the labor problem means, and how to solve it. They use as a text the Social Action Department's Catechism of the Social Question.

A lecture service on labor questions and social work and citizenship has been conducted for Catholic colleges and seminaries and Catholic clubs in secular schools. In addition, members of the Department are frequently called upon to address labor conventions, city clubs, chambers of commerce, social workers' conventions, public forums

and conventions of coöperative organizations.

Besides giving publicity to the coöperative movement and whatever aid and comfort is at hand, a representative of the Department is on the Board of Directors of the Coöperative League of America, and contact is preserved with the All-American Coöperative Commission.

During the coal strike, in addition to measuring the coal industry by the Bishops' Program and the Pastoral Letter, a statement was issued jointly with the Federal Council of Churches urging the operators and miners to meet in conference, and calling for a permanent body to investigate the coal industry. Later, jointly with the same body, a conference was held with President Harding during which he was asked to call a conference of the operators and miners. A few weeks later, a committee consisting of representatives of the National Catholic Welfare Council, of the Federal Council of Churches and of the American Conference of Jewish Rabbis, presented another memorial on the same subject to President Harding. An early piece of work that was carried on with the Federal Council of Churches was the investigation of the Denver street-car strike at the request of a local commission of all the churches.

The aim throughout has been to make Catholic social teaching known and practiced. Since Catholic social teaching is distinctly favorable to the working people, the National Catholic Welfare Council is distinctly favorable to the working people. What it aims to do is to bring more justice and charity into industrial life, and help to build economic institutions that will take more into consideration the sacred rights and the no less sacred duties of human beings.

Industrial Program of the Young Men's Christian Association

By CHARLES R. TOWSON

Secretary, Industrial Department, International Committee, Y. M. C. A.

THE unique place and value of the Young Men's Christian Associations in industry in America are due to the observance of a well defined industrial policy and program.

THE OBJECTIVE

Christian character is the primary objective. The motives, methods and programs used are definitely Christian, both in the broadest sense of the word Christian, and in the sense of relating men personally to Jesus Christ and to His service. It is a work by men and boys for men and boys; to enlist them in the service to their fellows, as well as in self-improvement; to train them in Christian service and to render service to those who need it.

The Association is related to the whole human factor in industry. There is no limitation of the Association objective to any special group, i.e., no class objective. No service is rendered to either laborer or capitalist nor to employers or employees as such. The work is for each and all, as men individually and collectively. An all-round service is rendered. The complete program of the Association is carried out in so far as possible in the physical, intellectual, spiritual, social, and economic life, individual and collective, and where necessary for the family and for the community. The Y. M. C. A. serves men and boys in all relationships: (a) where they work, (b) where they live, (c) where they recreate.

Other results in addition to the development of Christian character are expected and secured. Among these are: improved working, living and leisure

conditions; increased happiness and contentment; greater efficiency in production; better relations between employers and employees; higher appreciation of personality; more opportunity for self-expression; greater brotherhood.

THE CALL TO THE INDUSTRIAL FIELD

The Young Men's Christian Association is called to give special attention to the industrial field for a number of reasons:

Men and boys are increasingly being massed around the industries.

All of the needs common to men are to be met plus those that are created by industrial conditions.

They can be reached because they are massed.

No group of men or boys has been found unresponsive to the spirit and the program of the Association when it has been accurately interpreted to them.

Industry holds the resources both of men and money with which to meet the needs it creates.

Financial support.—The Association does not hesitate to lay industry (both employers and employees) under tribute for financial support of Association work. Taking the country as a whole today the employees give more than a dollar for every dollar contributed by employers for the maintenance of this work. Frequently, however, at the inception of the work, the employers bear the bulk of the cost. The employees' contribution is a gradual development. Employees are never asked to contribute toward buildings or other premises erected on land owned by the employer. They fre-

quently, however, contribute toward the furnishings of such buildings.

Leadership.—While no work is undertaken without a trained secretary, yet there are always volunteer leaders to be found in the industry. The industry furnishes the necessary volunteer service. The Association is always a local institution composed of the men and boys of the community. The only non-local factor introduced is the trained secretary, and he quickly becomes a part of the resident forces of the community.

Wherever the work has been established upon the right basis and both employees and employers have given approval and support, the work has been a success. The only place where it has failed is where it has not been tried under wise leadership.

THE NATURE OF THE WORK

It is a coöperative work. It identifies both employers and employees, individually and collectively, in an enterprise of mutual interest, one that serves the interests of both. The Association's work develops the sense of mutuality between all the parties in industry. The Association's relation is one of mutuality rather than neutrality.

It is uncommercial. The Association seeks only human welfare. There is no selfish motive. The support from employees and employers should be sufficient to prevent the Association from having to stress the revenue producing features overmuch. Too much effort to make the Association self-supporting would result in harmful commercialism.

It is unofficial. There is no organic relation to either employer or employee as such, nor to any organization of either group. The secretary should never perform official duties for either the employers or the employees.

It has a trained leadership. No work is ever established without the sustained supervision of a trained secretary or the equivalent.

The work is related to a permanent agency. Local, state, national, and international Association organizations can be laid under tribute for the benefit of every Association unit.

RELATION TO INDUSTRY

The Association's relation to both employers and employees is one of mutuality, not neutrality. The Association is composed of the men themselves, and is usually a cross-section of the whole industry and community, including both employers and employees. It operates in union and non-union fields and among works councils and with other employee representation plans. It follows that the activities in which they engage must be of mutual interest. The Association emphasizes the agreements between employers and employees, and, by this fact, disagreements are made more difficult.

The Association work should and does increase knowledge concerning industry, progress and conditions. It is not intended to obscure conditions that need correction. It is not an opiate to quiet unrest nor a lightning rod to divert strikes. It is never a substitute for better wages, shorter hours or good working conditions. It helps to increase earning power of the worker and helps him to increase the purchasing power of his earnings.

The Association creates an atmosphere of friendliness and confidence, which helps to prevent misunderstandings and to make possible the adjustment of differences when they do arise. Its great strength lies in making contacts in the spirit of friendliness and service.

While the Association elects of its own accord to serve in this sphere of

mutual interests and for a definite objective, it also becomes the active ally of every other constructive force. By its emphasis upon character values, including integrity, justice, fairness, good will, etc., it makes laws more effective. It has never impeded social legislation, and has always been an aid to social progress even though its functions have not been legislative.

By begetting the confidence of employers and employees, Association leaders can and do lift the level of industrial attitudes and relations that affect wages, hours and conditions. If sufficiently informed, the secretary can help the industry in developing safety, health and general welfare methods, as well as personal hygiene, and domestic and community ideals. In respect to issues between employees and employers, it has been found that by effective work in the realm of their mutual interests, it has been possible to bring about an adjustment of matters which previously had lain in the realm of their disagreements.

PROGRAM

The International Committee provides a staff of secretaries who help local and state Associations to establish and maintain:

The full program of the regular Y. M. C. A. among industrial workers throughout the entire country. This includes all of the physical, educational, social and religious activities.

Special work by industries—i. e. adapted to industrial cities and towns, iron and steel centers, textile mills, mining and lumber camps, etc.

Immigration and Emigration service in North America and Europe.

Enlisting college students (especially in engineering schools) and relating them in first hand contact and study in industry.

Industrial Motion Picture Bureau and other bureau service.

From 35 to 40 per cent of the Association membership is drawn from industry and transportation.

Because the best service to men and boys is impossible in many industrial communities, unless some service is rendered to the family, it has been found desirable to include provision for work for women and girls in some places. This involves the use of women's committees and sometimes women employees as visitors or aides. Wherever possible this work for women and girls is handled by the Y. W. C. A. Sometimes this is done exclusively by both the Y. W. and Y. M. C. A. and occasionally both organizations operate in the same "Y" building.

In adapting its program to industry the Association will consider the special needs of various groups, for example: skilled mechanics, machinery operatives, apprentices, unskilled labor; also, native workers (white), native workers (colored), foreign-born workers; or, the boys under twenty-one, and especially the foremen.

The activities are planned with regard to the conditions and needs growing out of the living, working and leisure conditions. Even for night shifts, recreation, Bible classes, social and educational work have been found possible.

In the large industries classes may be conducted in departments; sports may be organized by departments; meetings at noon, shop sings, socials, etc., are often arranged by departments. Foremen's meetings are a most valuable feature. The tactical importance of the foreman which is constantly increasing has led to a large emphasis upon foremen's clubs and training courses in human relations.

While at times it may be possible to render only limited service, the all-

round welfare of the individual is kept in view. In some places only physical work may be done at first; in other places, social or educational work will be undertaken first; and yet in other places merely creature comforts may be provided *at first*; but, in all cases, the all-round objective of the Association should be kept clearly in mind.

The Industrial Policies of the Young Women's Christian Association

By FLORENCE SIMMS

Executive, Industrial Department, Field Division

NEARLY fifteen years ago two things happened which have determined the policy and development of the industrial work in the Young Women's Christian Association up to the present time. First, out of early futile efforts to carry the Association program, and through it the "life abundant," to the young women working in industrial establishments in this country, the members of the industrial department had come to the place in 1908 where they began to get an idea that people ought to do things for themselves—that the only way, after all, to develop girls was to give them a chance to develop themselves.

THE SOCIAL CREED OF THE CHURCHES

Something else happened in the same year. The Protestant churches began to realize the necessity for a more unified front for Protestantism and combined to form the Federal Council of Churches of Christ in America. The broad vision of this body led it to stimulate an interest among the churches in social conditions, particularly in working conditions and the everyday life of working people. This attitude on the part of the churches expressed in their social creed led the Association to see that it must be concerned with something more than just the individual girl; that it ought to concern itself with her social and economic environment, with the conditions of her daily life and work. The social creed of the churches spoke frankly about these matters; it called for the abolition of child labor; for

such regulation of the conditions of toil for women as should safeguard the physical and moral health of the community; the abatement and prevention of poverty; the protection of the individual and society from the social, economic and moral waste of the liquor traffic. It advocated a living wage as a minimum in every industry.

Y. W. C. A. CONVENTIONS

The Berlin Conference.—

Shortly after this, in 1910, the World's Young Women's Christian Association at the Berlin Conference had as one of its topics "The Industrial and Social Awakening." It fell to the Young Women's Christian Association of America to present that subject and to offer recommendations. The World's Y. W. C. A. Committee sent to all countries a questionnaire asking what the Associations of each country had done to meet the industrial and social situation. One of the questions was "What do you believe about the possibility of the social teachings of Christ being applied to the social order of today?" The answers poured in from the four corners of the earth. It was the English women who had seen farthest. They had come together in some of the labor conferences in Manchester and decided that Christianity had really something very definite to do and to say in the face of the industrial situation. At Berlin it was a French woman who was insistent that the teachings of Jesus formed the true foundation for a social program.

Going on record for the first time.—

Thus the charter for the development of the work of the Young Women's Christian Association in its industrial life was agreed upon. It recognized, first, that the social "teachings of Jesus Christ are the basis of the right social life of women" and, further, that there was need of a "study of the social industrial problems of the day by an investigation of the physical and economic requirements of working women, by studying the means of amelioration which legislation and private endeavor offer, and by a careful examination of organizations among working women." This action of the conference was sent back to every national organization, and every Association of the World's Committee was asked to accept it as its own charter. It was the beginning of a whole new era in the life of the Association. Further than this the Association states that it will seek to advance the social and intellectual development of its members by making adequate provision for recreation and for social intercourse between young men and young women; furthering physiological teaching and training for home making; and arranging courses which shall promote the efficiency of commercial and industrial workers and give them wise teaching concerning the social and protective legislation enacted in their behalf.

The Indianapolis Convention.—

In its national convention in Indianapolis in 1911 the American Association went still further and said "that the Association shall seek to educate public opinion regarding the need of establishing a minimum living wage and of regulating hours of labor compatible with the physical health and development of wage-earners; that the Association shall declare its belief in

the rights of women over sixteen years of age, in good health, working a full day, to a living wage which shall insure her the possibility of a virtuous livelihood; that the Association recognizing the necessity of legislation for the regulation of hours and wages for wage-earners in industry and trade hereby expresses its sympathy with the great purpose of securing the determination by law of a minimum living wage for women."

Development of Membership.—

The Association was changing from that type of work in which it was doing for girls and thinking for them to that in which it began to feel the solidarity of the whole human family. The realization of humanity as God's temple was beginning. Futile efforts to produce and offer a program that would win girls through its own attractiveness gave way to offering an opportunity for them to find means of development for their various interests. Noon meetings in the factories, big down-town buildings running a formal schedule, and ready-made activities tended to be replaced by a less formal program planned and developed by the girls when they realized that their expressed needs could be filled by less formal buildings in sections of the community most accessible to the girls needing them, by group work which developed the program it needed and wanted along the lines of its largest interests.

Self-governing clubs soon appeared. These sent representatives to industrial councils which began to meet in the summer of 1912 to discuss the development of a program for the industrial membership. From such subjects as recreation, the welfare form of social service, etc., they have gradually become absorbed in the consideration of such questions as the underlying economic causes of war, the

coöperative movement, the implications of citizenship and legislation, and vital education. Recommendations from these councils become the program basis for the following year's activity.

The Washington Conference.—

In 1919 the first national industrial conference of the Young Women's Christian Association met in Washington with the consent of the executive committee of the National Board. Here again the girls made statements of the aims which they believed the Association should support them in trying to attain, if they are to live a life which is in any sense adequate.

The Cleveland Convention.—

The result of this statement from the industrial membership was the adoption at Cleveland by the whole Association of the social ideals of the Federal Council of Churches, including the resolutions of 1919. This did two things: It gave the united support of the Association to the effort to embody Christian ideals in concrete and living forms, and in so doing it gave to the industrial membership a new sense of responsibility for the whole of which they are a part.

The Hot Springs Convention.—

The presence at the Cleveland Convention of a number of our industrial members as delegates from local Associations gave happy augury of the goodly number of industrial girls and women who attended the 1922 convention at Hot Springs. In spite of the fact that this has been one of several years of unemployment and that Hot Springs is a great distance from the industrial centers, many girls attended. Associations planned to send industrial girls as delegates and the convention invited student and industrial groups to be responsible for a part of the convention program.

The industrial girls in this national assembly discussed questions of vital import to their life and work, such as "Unemployment," "What Is Religion," and "Student-Industrial Fellowship," and appointed a committee to serve in the interim between such national assemblies. The function of this committee will be to call assemblies of the industrial women in the Young Women's Christian Association and to coöperate with the national industrial committee in the development of its work.

The greatest enlargement of vision came in the joint sessions at Hot Springs when the students and industrial girls formed a new comradeship. These groups had met at Cleveland and learned their community of interest in the Association. They had, in the two years between, studied together in their local Associations and visited each other's conferences and they came together here to discuss their shared experiences. The college girl, in entering the world of practical work which the industrial girl knows so well, had found a new world open to her, and the industrial girl at college, where the coveted opportunity for education is at last realized, had discovered a new basis for fellowship and understanding.

The discussion of the industrial assembly opened on unemployment, with its crippling, dwarfing and deadening effect upon life. It closed with the student industrial session when industrial girls spoke of how they had been enabled through the Association to take advantage of the larger life offered to them. The observer could scarcely avoid the impression that the future can safely be trusted to the hands of young people who are eager for education in order to gain such understanding of the whole of life that they may help to realize a Christian order in industry.

Summary and Afterword

By the Editors-in-Charge,
JOHN A. RYAN, F. ERNEST JOHNSON

PERHAPS the average reader of this volume will look upon the title as inadequate. The first two sections may not seem to fit very appropriately under such a heading as "Industrial Relations and the Churches." The relation, indeed, is somewhat indirect. Nevertheless, it is real. In preparing this volume our main object has been to bring out the ethical and idealistic factors in the field of industrial relations. We have sought to ascertain in how far these factors are taking the place, or may be expected to take the place, of purely economic forces in the relations between employer and employee and between both of these on the one hand, and the community on the other hand. The functioning and the progress of ethical influences are due, surely in large part, to the teaching and the activity of the churches.

Although the papers represent a great variety and even a considerable opposition of viewpoints, they present a considerable and an encouraging amount of fundamental agreement. Indeed, it would not be misleading to say that the differences are of emphasis rather than of principle. No writer asserts that industrial relations should be governed by purely economic forces or by any conception, however euphemistically stated, of the so-called law of supply and demand. Substantially all the writers agree that the industrial conflict should be adjusted on the basis of ethical principles, and the majority appear to agree that the Church is directly and properly concerned with

the conflict and its adjustment. This situation represents a vast improvement over that which obtained a half or even a quarter of a century ago. It is but a few years since the majority of employers, even those who were considered liberal by their contemporaries, regarded the employer-employee relationship as one of master and servant. Today, we find employers of a fairly conservative type committed to the principle of conference and to a definite participation on the part of the workers in determining the conditions of their working life.

PROGRESS TOWARD A DEMOCRATIC INDUSTRIAL ORDER

The first step in this approach to a more democratic industrial order is found in the simple machinery of employee representation where a joint committee of management and men meets for a discussion of matters of mutual concern. Even where no actual power is held by the workers and where the matters open to discussion are limited to a very narrow field, the getting together of representatives of management and labor for a discussion of their several interests and a settlement of their differences, constitutes a definite approach to a more democratic, and a more ethical, industrial order.

The more liberal employers add to their acceptance of the principle of conference a recognition of the right of labor to large scale collective bargaining. So long as there are within our industrial order marked differences of property and power, there can be no

full measure of justice to the workers if they are not given the privilege of full affiliation with the largest possible number of their fellows in their craft or their industry. When limited to a single establishment, even though it may be relatively large, collective bargaining confers no security upon the workers. It is only in the labor union with a large membership covering a wide territory and exercising definite power and influence in the craft or industry as a whole that the workers find economic security.

It may be contended that collective bargaining is not in itself a highly ethical performance; that it is a balance of forces rather than an interplay of moral influences. Yet industrial history shows that it is only when justice and security have been established that the higher forces of our collective life are liberated. Furthermore, there can be no doubt that the processes of collective bargaining have brought a great measure of intellectual development and moral discipline to the ranks of the wage earners.

It is now possible to discover evidences of the passing over of collective bargaining, and of those cruder processes and activities which are inevitably incident to trade unionism at a time when it is forced to struggle for existence, into a broader, freer and more generous interplay of intellectual and moral influences. There are a few examples in America of industrial organization in which the rights of the workers are secured by full recognition of the unions and where, at the same time, the solidarity of the establishment is maintained through a judicious plan of representation and self-government. Not only so, but in certain industries, notably in the clothing trades, a wise and generous coöperative policy has brought about the voluntary acceptance by labor organizations of

definite responsibility for efficient production. To single out examples of this salutary tendency might seem invidious in a study of this kind, nor would the limitation of space permit their adequate treatment; but the person who is looking for evidences of moral progress in the industrial world will find a significant number of such demonstrations to challenge his attention.

As for the proper sphere of the Church in relation to industrial problems and controversies, the contributors to this volume make apparent a wide divergence of opinion. But that the principles of religion are susceptible of definite application to industrial problems, is scarcely any longer denied. The propriety of the entrance of churchmen, as such, and of religious organizations, into the field of research, with reference to particular controversies, is disputed by some clergymen and laymen of quite liberal mind. Yet it is probably true that the tendency is steadily toward approval of such undertakings, at least so long as other avenues leading to a full understanding of industrial facts and a fair appraisal of the issues involved are lacking.

It appears that in the immediate future the churches will be called upon to render more rather than less specific service in informing their people concerning industrial conditions and interpreting events in the light of their moral significance. It is certain, however, that the Church can successfully perform its mission only by maintaining a totally impartial attitude toward all the participants in controversy and by refraining, in the discharge of her prophetic duty, from those methods of strife and aggressive harshness whose evil effects in our industrial life it is one of the Church's chief tasks to remove.

It is gratifying to find writers of learning, judgment and experience, bearing

testimony to the increasing part played by right and reason and the constraints of human fellowship in the settlement of industrial disputes and the currents of industrial development—testimony which amply justifies the recent efforts of the churches to raise these matters

to a higher plane. The most fruitful lines of effort will doubtless be discovered in the course of the ministry of the local church to the workers in its own community. The measureless possibilities of such a ministry have been suggested in these pages.

Book Department

EMERSON, WILLIAM R. P., M. D. *Nutrition and Growth in Children*. Pp. xxix, 342. Price, \$2.50. New York: D. Appleton & Co., 1922.

HUNT, JEAN LEE, JOHNSON, BUFFORD J., LINCOLN, EDITH M. *Health Education and the Nutrition Class*. Pp. xv, 281. Price, \$3.50. New York: E. P. Dutton & Company, 1922.

THE NATIONAL CHILD HEALTH COUNCIL. *Child Health in Erie County, New York*. Pp. 90. Washington, D. C., Supplement to *Mother and Child, Magazine of the American Child Hygiene Association*, May, 1922.

SOUTH CAROLINA MENTAL HYGIENE COMMITTEE. *A Report of the South Carolina Mental Hygiene Survey*. Pp. 73. Columbia, South Carolina: South Carolina Board of Public Welfare, *Quarterly Bulletin* No. 1, Vol. 111, 1922.

WOOLLEY, HELEN T., PH. D., and HART, HORNELL. *Feeble-Minded Ex-School Children: A Study of Children Who Have Been Students in Cincinnati Special Schools*. Pp. 237 to 263. Cincinnati: *Studies From The Helen S. Traounstine Foundation*, Vol. 1, No. 7, April, 1921.

GREEN, GEORGE H. *Psychoanalysis In The Class Room*. Pp. xi, 272. Price, \$1.75. New York: G. P. Putnam's Sons, 1922.

The child is coming to be the chief concern of the social welfare movement in western civilization. Among many evidences of this fact is the increasing number of serious studies dealing with some one or more aspects of child welfare. Not only is the number of such books and pamphlets increasing, but—and this is significant of the progress in the development of the child welfare movement—the sentimental and generalized discussions of a decade and more ago are giving way to concrete, constructive and scientific analyses of definite problems. Above are listed some recent publications indicative of this newer spirit and approach.

Within the child welfare movement, the emphasis upon positive health is an out-

standing fact. Probably this is a reflex of the recognition by present day statesmen, military leaders, economists, employers, pedagogues and social workers, of the fundamental importance of physical well-being, and the imperative necessity of health conservation during childhood.

One aspect of the problem of health is that of nutrition. Until recently this has been entirely overlooked. A few years ago only extreme cases of malnutrition were recognized. Today we are told that one-third of the children in the United States are underweight or undernourished or malnourished. A decade ago we conceived of the problem as one to be found only among the poverty-stricken classes in our larger cities. Now we see that it is limited to no social classes and to no locality. In appreciation of the extent and importance of the problem of malnutrition, Dr. William Emerson of Boston is known nationally as a pioneer. In 1908, while in charge of the Children's Outpatient Clinic in the Boston Dispensary, he established the first nutrition class ever organized. *Nutrition and Growth in Children* represents the results of his experience with the problem of malnutrition among children.

The first part of this book deals with the diagnosis of malnutrition, how it may be detected, what its symptoms and causes are. Dr. Emerson contends that malnutrition is a clinical entity, with a characteristic history, definite symptoms and pathological physical signs. The second part of the volume sets forth the methods of cure, outlining a constructive program to strike at the root of the trouble, and involving the coöperation of the home, the school, the medical progression and the child's own interests. He finds that a nutrition class is the best agency for the coördination of these forces into a program that provides a common appeal. The final chapters point out the essential features of a nutrition program for the community, involving trained nutrition workers, physicians, school lunches, summer camps and nutrition clinics and classes as an important part of the chil-

dren's outpatient department of every hospital.

The book is the result of a rich, varied and successful experience. It is plainly and clearly written, in simple and practical language. Such technical terms as must be used are explained in a glossary at the end of the book. The text is well illustrated with charts and pictures. It is an invaluable book for parents, teachers, social workers, physicians, and for all who love constructively the children of men.

The development of the nutrition clinic and class by Dr. Emerson represents, of course, an attack upon the problem by a physician, working through the facilities of the hospital. The next logical step in its development and use involved its transfer from the hospital to the public school. This was done first in New York City, and was directly inspired by a visit in 1917 of a member of the New York Bureau of Educational Experiments to one of Dr. Emerson's nutrition classes. *Health Education and the Nutrition Class* is an account of this pioneer experiment, undertaken at Public School No. 64, Manhattan, for the purpose of exploring the possibilities of the nutrition class in a public school, and to develop it as a part of our general educational procedure. To those who recognize, on the one hand, the importance of the problem of malnutrition, and who believe, on the other hand, that the position of the school makes it the logical clearing-house for the community's knowledge in regard to children and their needs, will find this volume intensely significant.

This first experiment began in February, 1918, and the nutrition classes were discontinued in June, 1921. The full details of the work attempted, the results obtained as far as they could be ascertained, all are presented as fully as one might wish. There are numerous charts and tables setting forth the statistical data of the classes conducted; the social, racial and individual factors involved; the growth in height and weight of the children; and other information necessary for the interpretation of the charts presented.

The last two chapters summarize what, in the estimation of the members of the

Bureau of Educational Experiments, are the possibilities and limitations of the nutrition class as a factor in health, as well as the general educational problems of a health program. Although there is a strong insistence upon the need for further study and research, certain conclusions stand out rather definitely by way of challenge to health workers and school men, both of which groups will find it worth their while to familiarize themselves with the details of this pioneer experiment. Whatever conclusions may be warranted by future experiments of like nature, there is no gainsaying two facts that peer forth from almost every page of this book: first, that public health is purchasable; and second, that "the resources of the school for supplying the chief provisions essential to the success of an educational health program are greatly superior to those at the command of any other agency."

A detailed study of the general problem of child health in a restricted locality is presented in the third publication above listed. It is the report of a brief inquiry into the conditions relating to child health and to the social agencies for dealing with the problems presented in the rural sections and villages of Erie County, N. Y. This inquiry was made under the direction of the National Child Health Council, Washington, D. C., in coöperation with seven national and two state organizations. Different aspects considered are the "Under School Age Child," "Medical School Inspection," "Medical Service," "Nursing in Relation to the Child," "Health Teaching in the Schools," "Recreation, Nutrition of Children," "Health Officers," "Mental Hygiene of Children," "The Health of Dependent Children," and "Health and Working Certificates." The significance of this study is that it is a first step on the part of the national organizations involved in a plan for a definite coördination of field work, with special emphasis upon the development of strong and well-correlated local health organization. In view of these facts, of considerable interest are the recommendations included, centering upon the formation of a county health council, the establishment of a budget for county health work,

and the enlargement of the local school district on a sound and satisfactory basis.

Problems of mental hygiene, long relegated to the limbo of ignorance and neglect, are today in process of receiving merited attention. We are, however, still largely in the statistics-gathering stage. Of interest, accordingly, are the results of such a survey as that made in South Carolina during 1921 by officers of the National Committee for Mental Hygiene, under the auspices of the South Carolina Committee for Mental Hygiene. The purpose of the survey was to determine just what sort of problems feeble-mindedness and insanity were to the state, what relationship they bear to other social problems, and what facilities there are to deal with these groups.

The results are startling yet not unlike those unearthed by other recent studies. Of over 6,000 school children examined, 2.8 per cent of the white and 4.2 per cent of the colored children were found to be feeble-minded. Fully 23.4 per cent of the white children and 35 per cent of the colored children, continues the report, "were either subnormal in intelligence, feeble-minded, or suffering from a psychopathic personality, a psychoneurosis, epilepsy or an endocrine disorder." There are practically no facilities either for the identification or treatment of these children.

Figures such as these serve to remind us that both in our schools and in our general social program, we have but scratched the surface.

From South Carolina to Cincinnati is a far cry, spatially and otherwise. *Feeble-Minded Ex-School Children* is a study of children who have been students in Cincinnati special schools. It includes all children ever enrolled in classes for defectives in Cincinnati who had, by the summer of 1918, been out of school for as much as a year. There were 203 such children in the city.

The report emphasizes the importance of selecting children for special classes as early as possible in their school careers, both for the sake of the schools in which they are found and for the children themselves; a better system of record keeping of such children, i.e. a better system of bookkeep-

ing of our experience; and, be it noted, that the majority of these children belong in families which are problems to the social agencies of the city. The necessity of having the schools cooperate with these agencies in the study and treatment of these families is emphasized. In short, this study, perused along with the survey of South Carolina, sharply centers attention to the social cost of a policy of neglect.

Mental hygiene, however, means much more than attention for the feeble-minded and insane. There is the much larger and more important, even if less spectacular, problem of the "psychopathology of everyday life." If but half of the "New Psychology" has a basis of fact, its overwhelming importance to all persons interested in the care and training of children is obvious. To teachers especially is it important, both in the way of impressing them with the far-reaching results of school life, and to a real rather than a superficial understanding of their pupils.

Thus far it has been difficult for the average teacher to know where to turn for a knowledge of the essential facts which recent research has revealed. Much of its development has taken place outside of our orthodox educational institutions, charlatans have imposed upon the credulous, and partially informed writers have included much "under the term that would hardly be considered as psychoanalysis by its founder or by any serious student of the subject."

Here, at last, in *Psychanalysis in the Class Room* is a book which can safely be placed into the hands of the general reader, untrained in technical terms and aspects. It is such a sensible book. It seizes upon and states briefly yet clearly and simply most of what is considered sound in the way of contribution to psychological fact, "while maintaining a cautious and critical reserve toward ill-digested speculations." The author is a former student of Prof. MacDougall's, and builds in general upon his master's system of psychology as outlined in *Social Psychology*. In view of the author's close association with MacDougall, it is interesting to note (pp. 171, 172) the following sentences: "We infer the presence of the

instinct from the activity. But we have no first hand acquaintance with an instinct. . . . It may be that all these instincts . . . are in reality merely aspects of one great urge towards activity."

Without wishing in any way to detract from the heartiest commendation of this book, the reviewer cannot but point out that in his estimation the selection of the title was unfortunate. Not only does the author reject much of what passes as Psychoanalysis, but the phrase "In the Class Room" implies a restriction of value and scope which is nowhere to be found in its pages.

JAMES H. S. BOSSARD.

NORTHWESTERN UNIVERSITY SCHOOL OF COMMERCE BUREAU OF BUSINESS RESEARCH, HORACE SECRIST, DIRECTOR, IN COOPERATION WITH THE NATIONAL ASSOCIATION OF RETAIL CLOTHIERS. *Costs, Merchandising Practices, Advertising and Sales in the Retail Distribution of Clothing*. 6 Vol. Pp. 662. Price, \$15.00. New York: Prentice-Hall, Inc., 1921.

In recent years many writers of books on business subjects have attempted scientific conclusions from a few impressionistic observations and very incomplete data. The limitations of such attempts are no better illustrated than by the few cautious generalizations Professor Secrist draws from a most painstaking collection and careful analysis of facts about operating conditions in over 500 retail clothing stores scattered over the United States.

Here is a work of over 600 pages, bound in 6 volumes. Yet the data it contains cover only 3 years, 1914, 1918, and 1919, and was obtained from only about 10 per cent of the stores members of the National Association of Retail Clothiers. A further limitation is suggested by the fact that approximately 76 per cent of the stores reporting were located in cities with a population of less than 40,000, and only 10 per cent in cities with a population of over 120,000. These limitations Professor Secrist constantly emphasizes through his work.

The purpose of the work, as described by the author, is to "develop out of the actual experience of clothing stores a series of standards which may serve as guides." Profes-

sor Secrist's work is noteworthy because through it all he applies the scientific method most painstakingly and precisely. He first presents the facts as he has collected and analyzed them and then from these facts synthesizes his conclusions. These conclusions he says are of two types.

First, cost and other ratios; and second, underlying principles of trade tendencies which characterize stores of different size and location. . . . The actual ratios are subject to change; the underlying principles seem to be general. (Vol. 5, p. 3.)

The principles to which Professor Secrist refers are the generalizations he synthesizes from the detailed data. As a word of caution against their heedless acceptance he says: (Vol. 6, p. 499)

Generalization has been indulged in only when the data seemed conclusively to point to the existence of a principle and even, under these circumstances, only when the limiting conditions and the exceptions were brought to the reader's attention.

Again on page 500 (Vol. 6) he says:

In undertaking this study it was felt that business and industry need facts; that business will not run *on*, but *down* on the momentum of customary action and that more analysis of business problems and equal sharing in the results are required if rule of thumb methods are to be displaced. It was begun in the belief that there are underlying principles in business which can be determined, measured and used as guides to action, and that this fact modern business must come to realize if planning and foresight are really to characterize it.

In the summary contained in Vol. 6 (p. 571) Professor Secrist enumerates the results of the study.

Two types of conclusions have been reached from the study of *Costs, Merchandising Practices, Advertising and Sales in the Retail Distribution of Clothing*: first, that which pertains to the absolute and relative amounts of sales, rent, wages and salaries, advertising, etc., for stores of different size, location, age, merchandising and accounting methods, etc., and second, that which relates to the tendencies of the amounts to decrease, increase, or remain constant as stores increase or decrease in size or change in location and operating conditions. The first type of conclusion describes what might be called static conditions; the second relates to the dynamic aspects

of the problems. The first describes the stores in cross-section, as it were; the second reveals them under conditions of change from location to location, size to size, etc.

The dynamic aspects mentioned are dynamic only in the sense that they are an advance picture of static conditions. A merchant with a small store can visualize the static picture of a larger store corresponding to the conditions under which he proposes to operate. The merchant has a guide to the normal or average operating costs under varying conditions. Whether or not he should accept the average as his ideal is another matter. A really dynamic attitude implies the idea of initiative, vision and growth. Standards, averages and forms are useful as guides, but they should not be limitations.

From a technical standpoint the method of presentation Professor Secrist employs is excellent. The work is divided into 6 volumes of about 100 pages each. Each volume covers a division of the subjects and within these limits is complete in itself. A list of the titles of the volumes gives a view of the detailed scope of the work.

Vol. 1: Sales and sales ratios in retail clothing stores (statistics and statistical ratios).

Vol. 2: Expenses and expense ratios—rent and wages and salaries.

Vol. 3: General, busheling and total expenses.

Vol. 4: Advertising methods, expenses and expense ratios.

Vol. 5: Purchases, inventories, purchase discounts, stock turnover, and capital turnover.

Vol. 6: Buildings and store equipment, merchandise sold, store methods and accounting practices.

Summary of expense and trade tendencies, questionnaire and index.

From these volume titles a more general grouping of the subject matter can be drawn:

Sales costs (Vol. 1).

Other operating costs (Vols. 2, 3, and 4).

General.

Rent.

Wages.

Salaries.

Busheling.

Advertising.

Purchasing and stock costs (Vol. 5).

Buildings and equipment (Vol. 6).

General summary (Vol. 6).

Each volume is summarized in an introductory chapter at the beginning of the volume. A summary and index of all the results is incorporated in the last volume. The text is not a mere presentation of facts. Every attempt is made to show not the importance of the facts as such, but their relation and significance to business practices in general. Visualization of these relationships is made possible by the frequent summaries and by the prolific use of graphical as well as statistical charts.

The data which the report summarizes were obtained by the questionnaire method. The questionnaire employed is itself an effective statement of the importance of the information requested. For this reason the data reported are likely to be more than ordinarily accurate. Combined with this is the assurance implied by the analysis of this data by a statistical authority of the eminence of Professor Secrist.

The work is a pioneer application of the scientific method to a collection of facts about practices in a specific business. Important as it is as a guide or measure for practices in the retail clothing business, it also suggests possibilities for further studies in this field with the scientific method employed in this work as a guide, and for similar studies in other businesses.

HERBERT W. HESS.

IRELAND, ALLEYNE. *Democracy and the Human Equation*. Pp. 251. Price, \$3.00. New York: E. P. Dutton and Company, 1921.

The reviewer has read through this book with care and has read some of it twice, out of fairness to the author, in order if possible to avoid the conclusion that it makes no special contribution to political or social knowledge and that it has no particular value in the way of constructive suggestions.

Two of the key premises of the book are:

The distinguishing feature of *Republicanism* is that legislators shall be representatives; the distinguishing feature of *Democracy* is that legislators shall be delegates.

Assuming equal knowledge and intelligence in each, a *Representative* best discharges his duties by being independent; a *Delegate* by being subservient.

These are very nice conclusions. But why print a book about them? In the social process of the modern world our legislators in some matters will act as delegates but in most matters as representatives. Just what this social process is and what can be done to get facts to constituents so that even delegates may take a higher type of action becomes all important. For certainly the modern citizen is not going to cease his efforts to advance his own interests as he understands them. Is not the problem that of enlightening this understanding rather than that of saying that the citizen should blandly allow the chosen representative always to speak for him?

MAYERS, LEWIS, PH.D., LL.B. *The Federal Service*. Pp. xvi, 607. Price, \$5.00. New York: D. Appleton & Company, 1922.

This book on *The Federal Service* is another one of the splendid studies in administration put out under the auspices of the Institute for Government Research of which Mr. W. F. Willoughby is Director. The book can best be described as a handbook on Civil Service. It is the work of a careful student. The contents of the book are portrayed in the titles of the leading chapters which are as follows:

"The Law and Tradition of Selection and Tenure;"

"The Extension of Formal Systems of Selection;"

"The Elimination of Political Interference Inside the Service;"

"The Classification and Standardization of Positions and Salaries;"

"Selection by Promotion from Within Versus Recruitment from Without;"

"Methods of Selection from Within; Reassignment and Promotion;"

"Recruit Methods: Some Basic Aspects;"

"Recruitment Methods: The Classified Competitive Service;"

"Recruitment Methods: The Unclassified Service;"

"The Maintenance of Individual Efficiency;"

"Working Conditions;"

"Organization and Personnel Administration;"

"Employees Organizations and Committees;"

FURNISS, EDGAR S. *Foreign Exchange*. Pp. x, 409. Price, \$2.50. Boston: Houghton Mifflin Company, 1922.

From the days of Adam Smith, Ricardo and Mill problems of international trade have been complex. Of all these problems those connected with foreign exchange are perhaps the most intricate. Previous to 1914 we were tyros in this field and admitted it. We supplied the goods; England and Germany attended to international finances. Since the War we have begun in real earnest to be our own international bankers.

Our entrance into the field of foreign exchange called forth a flood of articles on this subject; several recent books also have presented a more or less comprehensive treatment of the theory and practice of foreign exchange. Professor Furniss attacks his subject from a somewhat unusual angle. Instead of emphasizing banking mechanism and purely banking problems, he aims to lay stress "upon the problems of the business man concerned with foreign trade, as well as upon the broader questions of national policy." This new emphasis, however, is in method of treatment rather than in topics considered, since more than two-thirds of the book deals with banking problems.

After an introductory chapter which shows how bankers' bills and commercial bills arise in international trade, and how they serve to finance it, the writer proceeds for over two hundred pages to show in detail how the supply of and demand for these bills affect the rate of exchange, and what operations are performed by business men and bankers in handling these documents. The careful classifications of this part help the reader to understand complex processes. The last four chapters (pp. 295-404) present a sane discussion of foreign investment, and money markets in London and New York.

Professor Furniss knows his subject and has supplemented his lucid explanations with concrete examples of the business problems connected with payments for imported goods. In spite of this, foreign exchange remains a technical subject and one difficult to understand even for those who know how

to trade intelligently with other peoples. The treatment deals with normal conditions of payment in international trade. This leaves the business man in a quandary as to guiding principles under present conditions, but no scientific treatment could do otherwise. Abnormal conditions mean absence of guiding principles. The economic reasoning underlying "purchasing power parities," so emphasized by Professor Cassell, is given an excellent presentation (p. 55 ff.). This explanation ought to go far toward making clear to business men and students how different price levels in countries affect the value of their currencies when quoted in terms of other monies. Complete copies of cable transfers, bills of exchange, trust receipts, letters of credit, travelers' checks, acceptance agreements, etc., make the book a more usable class text.

The arithmetic of certain illustrations needs correction: Page 45—In the statement of the gross weight in grains of the normal German gold mark the decimal point has slipped one unit to the right (61.458 being given instead of 6.1458). A slip in the opposite direction would have been more appropriate under present conditions! Page 127—British exchange was "pegged" at \$4.76 instead of \$4.70. Page 278—The conversion of \$4000 into English pounds gives £836 16s 5d rather than £83 13s 7d. Page 279—The conversion of \$4073.31 at 4.85 gives £839 17s 2d rather than £83 19s 7d. Professor Furniss has at times been overzealous in his desire to be complete, a zeal which has led to repetition. But these are minor matters.

This book is a valuable addition to the literature of a subject which is more and more compelling attention from business men and students of foreign trade.

HARRY T. COLLINGS.

VANDENBERG, ARTHUR HENDRICK. *The Greatest American—Alexander Hamilton*. Pp. xvi, 353. Price, \$2.50. New York: G. P. Putnam's Sons. 1922.

This is not so much a biography as it is adulation and hero-worship. The book is not critical. Hamilton is one of the truly great figures of our national life and the book plays the useful purpose in building up

a fiction about Hamilton. Those who want to make orations will find many illustrations from this text. The critical student, however, will find practically no contributions in the book. Hamilton is preëminent among those of our statesmen who are worthy of a critical estimate because his abilities and accomplishments will stand faithful portrayal.

CLARK, JR., W. IRVING, M. D., F. A. C. S. *Health Service in Industry*. Pp. 168. Price, \$2.00. New York: The Macmillan Co., 1922.

There is a lot of sound sense and experience in this little volume by Dr. Clark. It will be of most value to the manager of a small or medium-sized concern who wishes to develop a constructive health policy that will make for bodily integrity of his employees and does not know just how to begin. But it will also prove of value to the industrial physician, especially if he is just starting in industrial work; to the personnel executive who may have the problem of the relation of the plant physician and his work to the whole personnel policy of the firm; and to the student of personnel as well, especially if he or she be interested in industrial hygiene.

The object of this book is to give to those having no actual experience in industrial medicine a short workable plan outlining the administration and methods of a health department in industry.

The author has not attempted to discuss more than one approved method of doing a thing. He has not attempted to give methods of treatment except as examples. Everything suggested has been tried and is in use in some large factory.

It is presumed that the reader is either a doctor or the superintendent of a factory.

The contents of the book are suggested by such typical chapter headings as "The Medical Needs of a Small Factory;" "Organization of a Medical Department in a Large Factory;" "Factory Dispensaries;" "The Physical Examinations;" "Sanitation;" and "Cost of Medical Supervision."

By living up to its attempt to concentrate on matters of administration and methods, Dr. Clark has submitted for ready use a great deal of usable practical methods and of information. He makes very specific and

helpful suggestions concerning the ways by which the management of small shops may obtain adequate but economical health service, which in the past they usually have failed to get. The statement of the routines to be followed in case of physical examinations and sickness, of the minimum equipment required for various situations and purposes, of estimated proper cost for different sized enterprises, and of other similar matters are very much to the point and very welcome. They should be of real aid to a plant physician trying to develop standard equipment and standard practice in his department.

Dr. Clark also shows a grasp of the ethical responsibility of the factory doctor, when he says, "It is considered advisable that the same relation of doctor and patient be maintained as strictly in industry as in private practice. The doctor should discuss the type of work the patient can and can not do with the employment manager, but not the physical condition necessitating it."

JOSEPH H. WILLITS.

JENKS, J. W. and LAUCK, W. J. *The Immigration Problem*. First Edition, revised and enlarged by Smith, Rufus D. Pp. xxvii, 655. Price, \$3.00. New York: Funk & Wagnalls Co., 1922.

This revision of what is in many ways one of the most useful of the books on immigration will be welcomed by students and teachers. Aside from the use of the figures of the Census of 1920 and the legislation of recent date the most significant change is the addition of a chapter on "Oriental Immigration to the United States" and a discussion of the immigration problem of other countries, together with digests of foreign laws.

It is to be regretted that the bibliography suggested for further details is so defective. If the immigration policies of other countries are of importance why is no mention made of *The Problem of the Immigrant* by Whelpley? If assimilation is important why is no reference made to Drachler, *Democracy and Assimilation* (1920)? Why is no mention made of studies of given races in America such as Balch, *Our Slavic Fellow Citizens*, as Capek, *The Cechs in America* (1920)? The

writer of this note would have liked to see included some reference to the January, 1921 volume of *The Annals* in connection with the Japanese immigration.

HOURLICH, ISAAC A. *Immigration and Labor*. Second Edition. Pp. xxxii, 574. Price, \$6.00. New York: B. W. Huebsch, 1922.

Practically the only changes as compared with the first edition of 1912 are the omission of the discussion of some of the recommendations of the Immigration Commission and the inclusion of a chapter on "The Lessons of the War," together with a rather vitriolic reply to certain critics of the first edition. The author's use of Ph.D. after his name seems a bit inconsistent with his attitude towards the academic brethren.

The author states that formerly organized labor was hostile to immigration but that now the fear of radical East Europe has led the capitalists to join in the demand for restriction. He then proceeds to show that restriction will not improve the condition of the American laborer. Some of his criticisms of popular ideas are keen and worthy of attention. He weakens our faith in the balance of his judgment by his extreme antagonism to capitalism.

PATTEN, SIMON N. *Mud Hollow*. Pp. 384. Price, \$1.90. Philadelphia: Dorrance and Company, 1922.

President Meiklejohn of Amherst in his *The Liberal College* has forcibly pointed out one of the limitations of scholars. He points out that, if a man wishes to be considered scholarly, he must work assiduously within the conventionally set limits of his field and devote little if any thinking to other fields in which he can not speak as a specialist. The result tends to be knowledge by watertight compartments, and points of view that are scientific within the limits of a particular field and intolerant of the conclusions and importance of those of other fields. Accordingly we find comparatively little effort to see the relationships between fields of knowledge and little ability to unify their conclusions into a whole that will represent a complete picture.

This is especially true in the social sci-

ences. Most of us have been busy at work, each considering a section of society from the standpoint of his own field. This is a necessary stage of evolution, but it tends to result in more "experts" than economists, and more partisans than statesmen. Dr. Patten himself suggested this condition a few weeks before his death when, half in joke, he said, "The economists are all over sixty years old; those from forty to sixty are socialists; and those between twenty and forty are, or are trying to be, business experts."

Mud Hollow was published a few weeks before the "stroke" which led to Dr. Patten's death on July 24, 1922. It is a brilliant, daring and suggestive attempt to see and to understand the whole of American civilization. By application of the combined knowledge available in a number of fields such as economics, biology, sociology and psychology, Professor Patten has sought to explain the fundamental changes that have taken place in American society and which represent the evolutionary process now going on.

The book is half novel and half essay. The first half presents the life of "Mud Hollow" and exists purely for illustrative purposes in order that the second half of the book may be better understood. "Mud Hollow" is a small farming community in the middle west and "is the base on which the nation rests. It is the normal in the sense that it has the soil and mechanism on which prosperity depends, without the impressment of a foreign culture which would thwart local tendencies. Normalcy may be defined as prosperity without culture. Money to do with and not knowing what to do."

The second part of the book is an essay, interpreting the life of "Mud Hollow." It is, by far, the more important part of the book; it represents the fruition of Dr. Patten's economic and sociological thinking.

In this second part he recognizes the wreckage of many of the theories currently held before the War—his own included. "The decay is not physical; it is mental, spiritual, logical. It is those who think or at least should think who have failed. There is something wrong in the basis of our thought; our premises, our historical interpretations, our long-standing traditions need revision."

"Human nature is vaguer, more emotional, with fewer of the rock attributes than was thought."

He sets out to find his new basis for thought by an analysis of the types being brought into dominance in Mud Hollow, i.e., America. For an indefinite period, we will be dominated by the mass judgments of that group of citizens, which, taken collectively, has the greatest income power. This group, Dr. Patten defines as the group with incomes of from two to three thousand dollars. Neither the poverty class nor the property class will control.

The dominant majority is primarily of the motor type. It will insist upon conformity. Dr. Patten then goes on to show that conformity is the method of social progress under majority rule, whereas *personal liberty* was the method under minority rule. Leaders will be those who make progress with the masses rather than those who sink into self-satisfied sterility by condemning "uncultured mob judgments."

Old morality is the morality which minorities have imposed on majorities.

The grind of conformity must precede the rise of democracy. . . . In democracy, men may differ on minor but not on major premises. Minorities are outlaws unless they accept the axioms of majority thought. If, in a prohibition nation, a man contends that alcohol is beneficial, he is an outlaw, but if he thinks the methods of enforcing prohibition are ineffective, his opinion is entitled to respect.

The real force of the social lies not in trade unions, industrial coöperation and distributive processes, but in a vague feeling of comradeship which binds not like with like, but which brings the dissimilar into organic unity.

Conformity seeks to lift all to a common level and is not so concerned with the setting of new standards by minority aggression.

"Conformity thus produces a better average than morality."

In the latter part of the book, Dr. Patten describes, in biological and psychological terms, the changes which make for or against adjustment to new environments and which, therefore, hasten or retard evolution.

It is the Wish not the Germ Cell which determines action. . . . The correct order I assume to

be: first, the direct action of natural forces on life; second, the appearance of a wish to do what natural forces tend to create; third, a power to do through the growth of inherited traits. Then judgments are formed which harmonize with natural tendencies. . . . The wish thus represents evolution yet to come, just as the will represents the stages through which evolution has gone. Between the two is an eternal conflict, some element of which we face every time we go through a period of depression. Willlessness is a defect of character and yet it is the only door through which evolution can come.

Dr. Patten then points out the effects of the suppression of the wish in the creation of abortive action and inferior complexes. Conversely, he points out the method and result of expression in terms of creative action and positive adjustment. Both he states in such concrete terms as sex morality, the position of women, the development of children, religion and life work.

Dr. Patten's theories are here founded upon the findings of the genetic psychologist. Any adequate criticism of his psychological position should come from psychologists. Certainly, however, he has gone much further than those who have sought to link psychology and economics by making an exhaustive list of instincts and then deducing that certain acts are the result of certain instincts. Joint discussion by psychologists and economists of their common problems should result from this book to the enrichment of both fields of knowledge.

Many will criticize this book,—for its literary form and style, for its unconventional attitude toward morality, for inconsistency in places, and for generalizations that may in places be too broad. But such critics should consider and discuss rather the larger ideas of the book, and should remember that prophecy can scarcely be expected to be worked out into a logical, consistent and detailed philosophy, but rather must devote itself to outlining new territory for human thinking. In course of time the reviewer believes that this contribution by Dr. Patten at the close of his life will be reckoned a major contribution to human thinking,—as important as any he has ever made.

"Each master mind is he who points the way from one base to another."

JOSEPH H. WILLITS.

J. WALTER THOMPSON COMPANY. *Population and its Distribution*. Pp. 335. Price, \$5.00. New York: J. Walter Thompson Company, 1921.

This book presents a useful and convenient arrangement of the population figures of the 1920 census by states and by groups of cities. This edition, the third, in addition to listing all towns in the United States of 500 inhabitants and over with their counties, has added such information as the mileage of rural road and of railroads, the number of autos and trucks, electric passenger cars, telephones, electrically wired houses, central power stations, and an outline map of each state showing the location of its principal centers. The trade information has been extended to include thirty separate classifications of dealers, wholesale and retail, in the leading trades. These classifications give the number of dealers in cities of 50,000 and over, as well as in states.

LIPPMAN, WALTER. *Public Opinion*. Pp. ix, 427. Price, \$2.75. New York: Harcourt, Brace and Company, 1922.

Here is a book every student of government should read. The reader will recover but he will never thereafter be quite the same. It is misleading to entitle the book "Public Opinion." It is more accurately a criticism of the limits of attention and of knowledge and hence of the immobility of the average mind to meet the rapidly changing problems of the present day. As a criticism the book will endure and will have far-flung usefulness. That usefulness, however, will be more in the line of stimulating thought than in the way of useful conclusions. The style of the book is its finest feature. It is a great relief to find an authoritative work on government couched not in the sedentary verbiage of the average academician but in a style that allures while it instructs.

The book would have left a better impression had it been called what it is—a study of the limits of attention in a democracy. There are five pages in the chapter on "A New Image" devoted to constructive suggestions and the constructive suggestions are not at all of a size and character equal to the quantity and quality of the criticisms that fill the pages of the book. In this chapter on "A New Image" the author says:

Outside the rather narrow range of our own possible attention, social control depends upon devising standards of living and methods of audit by which the acts of public officials and industrial directors are measured. We cannot ourselves inspire or guide all these acts, as the mystical democrat has always imagined. But we can steadily increase our real control over these acts by insisting that all of them shall be plainly recorded, and their results objectively measured. I should say, perhaps, that we can progressively hope to insist. For the working out of such standards and of such audits has only begun.

A critique of this kind is needed in political science and is just as useful to economics or to sociology, and for that matter to business, for the limitations to attention and the inaccuracies of the pictures in our minds and the clutch of the stereotypes which we judge are just as applicable to business and to making a living as to government. One would be apt to feel after reading this book that government must perforce be the weakest of institutions unless he reflects at the same time that this same weakness of human nature and human knowledge applies to all institutions.

In addition to a scientific report of all the facts as a basis for public opinion the author urges that the social scientists take a larger part in directing social activities. He thinks it high time that the social scientists cease merely to chew over and over the cud provided for them by others.

We have had no advance in political philosophy since the days of John Locke. To the mind of the reviewer this book is the first contribution to a new political philosophy based on a scientific knowledge of the innate urges within individuals and on the essential facts as to the limits of human attention, together with conclusive methods of tying up social judgments with current social facts and forces.

CLYDE L. KING.

G. STANLEY HALL, PH.D., LL.D. *Senescence*. Pp. xxvi, 518. Price, \$5.00. New York: D. Appleton and Company, 1922.

The modern intellectual world is becoming more and more insistent in its demands for facts to substantiate any theory which attempts to explain the controversial questions confronting mankind. Certainly the

problems of old age and death are prodigious enough even in our day to call forth the most Herculean of mental efforts to establish conviction. "The Thinker" who would probe into this subject from every view point should be more than scholar; he must himself have lived richly through a wide span of years in order to appreciate the feelings, aspirations, disappointments and philosophies of those who have spoken. Certainly, the mental processes as well as spiritual insight of those who are older becomes of vital significance in giving perspective to human values. So much our present-day middle-age group should be willing to concede to those older scientists who in their younger days struggled heroically with newer evolving scientific concepts often under the most critical and adverse of conditions. In their older days these stalwarts are bringing each, not his science only, but *all* science into perspective. Analysis is no more to vie with synthesis in its outlook upon life's problems. The past no longer spurns the whole. Perspective is beginning to be insisted upon.

The book *Senescence* by G. Stanley Hall, rich in scholarship and personal experience, is a comprehensive review of the sum of human knowledge on this subject, "in order to show how the ignorant and the learned, the child, the adult, and the old, savage and civilized man, pagans and Christians, the ancient and the modern world, the representatives of the various sciences and different individuals, have viewed these problems."

The chief thesis of his book is that old age has a function in the world that we who are older have not yet risen to and which is of the utmost importance. Far greater, in fact, in the present stage of the world than ever before, and "that this new and culminating service can only be seen and prepared for by first realizing what ripe and normal age really is, means, can, should and now must do, if our race is ever to achieve its true goal." It is also written to enable those of middle age and "for whom the shadows have just begun to lengthen" to be better fitted to meet old age when it overtakes them.

The various chapter headings herein cited are suggestive of the exhaustless scientific method employed in getting at the concepts underlying his treatise: "The History of Old Age;" "Literature By and On the

Aged;" "Statistics of Old Age and Its Care;" "Medical Views and Treatment of Old Age;" "The Contributions of Biology and Physiology." In "The Youth of Old Age" is developed the psychology involved at the turn of the tide of life. Special stress is laid upon the importance of work accomplished before and after forty.

The functioning process of old minds with their possible good as well as evil influence upon world-wide questions of political and economic significance, is illustrative of many other paragraphs than the one cited.

The World War was not primarily a young man's war, for most of them were sent by their elders and met their death that the influence of the latter might be augmented. Men may be made senile by their years without growing wise. Thus the world is without true leaders in this hour of its greatest need till we wonder whether a few score funerals of those in power would not be our greatest boon. A psychological senility that neither learns nor forgets is always a menace and a check instead of being, as true old age should be, a guide in emergencies. Thus we have not grown old aright and are paralyzed by a wisdom that is obsolete or barnaced by prejudice.

The thoughts which the earnest reader of this book will carry away is the necessity of a philosophical type of thinking which should pervade the solution of individual and national problems. Old age becomes philosophical in a masterly sense if the recapitulatory processes of individual unfoldment have been orderly and expressive. Hope for the orderly and wise administration of life's affairs rests upon the ability of

society to utilize the richness of individual consciousness which the changing years divest. All students of human nature will feel that this text is the gift of a mature mind to those who would struggle wisely to meet the problems of advancing age.

HERBERT W. HESS.

TUMULTY, JOSEPH P. *Woodrow Wilson as I Know Him*. Pp. xvi, 553. Price, \$5.00. Garden City, New York: Doubleday Page and Company, 1921.

This is an enticing account in story form of the relations between Joseph P. Tumulty and his hero statesman, Woodrow Wilson. As a first hand account of many of the stirring events of the past fifteen years this book is of inestimable value. Among the chapters of special historic interest are those devoted to: "Colonel Roosevelt and General Wood;" "Wilson the Warrior;" "Germany Capitulates;" "The Treaty Fight;" "The Western Trip;" "Reservations." The chapter that will live long is the one on "Wilson, The Human Being."

The historian of the future will no doubt give to Woodrow Wilson a rank as statesman equal to that of the greatest statesmen of all times. If this be done, then his opponents must be pictured as bickering partisans, narrow of vision and uninformed as to the true economic and social forces at work in the modern world. This book will prove useful as a current portrayal of pertinent human facts and sentiments.

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A STUDY IN LABOR MOBILITY

BY

THE INDUSTRIAL RESEARCH DEPARTMENT
WHARTON SCHOOL OF FINANCE AND COMMERCE
UNIVERSITY OF PENNSYLVANIA

ANNE BEZANSON
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PREFACE

THE Department of Industrial Research of the Wharton School of the University of Pennsylvania exists by the aid of the Carnegie Corporation and a number of interested individuals and firms. With the coöperation of members of the Philadelphia Industrial Association and other members of the industrial community, the Department seeks to give practical response to the need for local units for coördinating industrial research in the more important centers of population.

As such a unit it makes progressive studies that will represent continuous cross-sections of one industrial community. These studies should in time contribute information of value to students of general economic and industrial problems. They may have value to the immediate community and to teachers of industrial subjects by supplying facts on which constructive programs may be based as well as by indicating community conditions and tendencies.

This account is submitted as a more extended statement of scope and purpose and as a preliminary discussion of one of the studies now in progress. This study has been made and the report prepared under the immediate direction of Miss Anne Bezanson.

JOSEPH H. WILLITS.

FOREWORD

IN publishing this study no claim is made for original methods or conclusions. For a decade industrial managers have recognized the place of the analysis of labor turnover in their own plants; this study aims to show the still larger place for this control in a community labor market. Numerous inquiries from industrial educators, students, employment executives and research associations influenced the department in presenting at once even an incomplete study with a statement of the research program.

To all members of the Philadelphia Industrial Association indebtedness is acknowledged for coöperation in the various studies started throughout the year. For careful reporting in connection with this study especial obligation is acknowledged to a group of 25 firms, some of whose names are withheld, owing to the absence of several executives. Other firms co-operating are: Aberfoyle Manufacturing Company; American Pulley Company; Barrett Company; A. M. Collins Company; Chalfonte-Haddon Hall; Hess-Bright Manufacturing Company; John T. Lewis & Brothers Company; Miller Lock Company; New York Shipbuilding Corporation; Notaseme Hosiery Company; Fayette R. Plumb, Incorporated; Sears, Roebuck and Company; John B. Stetson Company; Stokes and Smith Company; United Gas Improvement Company; Westinghouse Electric & Manufacturing Company; S. S. White Dental Manufacturing Company.

Individual credit is due to Mr. Paul Gendell and Mr. Roswell Henninger, who have served as chairmen for the Research Committees.

The Department is indebted to all members of the research staff, especially to Helen Opp and Elizabeth Lundy for computations; to Marjorie Crossingham, Harold Denison and Paula Zeisse in preparing charts and tables; for great aid in revising the manuscript to Miriam Hussey.

ANNE BEZANSON.
FRANCE CHALUFOUR.

JOSEPH WILLITS.
LEDA WHITE.

INTRODUCTION

AT the beginning of March, 1921, the Industrial Research Department at the University of Pennsylvania began active work. The initial organization was made possible by the coöperation of the Carnegie Corporation. Especially encouraging was the understanding of Dr. J. R. Angell and Dr. Beardsley Ruml in foreseeing the growing need for definite coördination between education and industry in research work. In Philadelphia a small group of employers were interested by reason of long contact with the Department of Industry of the University. There was, besides, the Philadelphia Industrial Association group, among whose members were plant executives and employment managers ready to voice the need for careful analysis of many matters frequently discussed in the past years of employment adjustments. The interest and advice of members of The Scott Company, notably that of Mr. L. B. Hopkins, was invaluable in the six months of planning preceding the actual starting of the Department.

NEED FOR INDUSTRIAL RESEARCH

The Industrial Research Department grew out of the need for careful study of some of the problems of personnel—a need felt both by industrial concerns and educational institutions. For a decade before the War, many individual firms in widely scattered industrial centers, in the United States and Europe, had experimented with the centralization of certain functions relating to the selection, training, and follow-up of the employees. These activities tended to run to peaks according to the needs of the organization or the individual manager's con-

ception of his obligation to his employees. The war activity and the shortage of labor hastened the starting of new departments, which in the main tended to copy organization and methods as worked out by early experimenters. During the War immediate matters of production were so pressing that no time was available for detailed study, however valuable the conclusions might be in the long run. The very pressure of the war production situation had, however, stimulated discussion and furthered the pooling of information. Employment Managers' Associations were organized in local areas where executives interested in labor problems met regularly to exchange experiences. Much of value and inspiration was brought out in these discussions. As time went on, however, there was needed some sifting of the worth of experiences, some analysis of the comparability of the conditions and methods, and some conclusions as to what things had been established by the cumulative experiences of every one.

At the close of the War a different method of approach and a new type of experience was brought to the problem by men connected with the work of the army. Psychologists, physicians, and prominent employment executives had together applied to the classification of army personnel methods already tried out in industry. The new application brought changes and development in the old systems. A new technique resulted, new methods and a broader understanding of the scope of the problem pointed to the possibility of a wide use of some of the altered methods in industry. No

en masse application of methods was possible. Everyone realized how different was the problem of stability in an industrial plant. The army method of attack had to be modified and experiences checked until new and more complete data could be secured. Again came a new period of experimentation with more technical methods in a new phase of the problem—a problem made unusually complex by the expansion of industry and the post-war adjustments.

The need for authoritative data was equally apparent before further steps could be taken in the teaching of the technique of personnel. A very few courses in Employment Management were undertaken in University departments. Short courses were started by the War Department and supplemented by longer courses in educational institutions. These are still going on in coördination with courses in industrial management with some attempt to train executives for personnel positions. Materials available for such classes lacked the comprehensiveness necessary for clear presentation. The limited sphere of usefulness of a great deal of personnel research engaged in at present, or in the past, is due to the isolated character of the data; isolated either because carried on by a single business house with emphasis upon too immediate findings, or because of a lack of effective co-ordination between its scientific aspects and the practices and policies of business. Other difficulties arise from the separation of subjects in educational institutions. Personnel research involves the bringing together of the findings of science in many fields of study. These sciences separated into departments on the basis of materials, for purposes of study and teaching, must in some way be united for interpretation of the complex factors found

in modern industrial relations. It was to meet the needs of both industrial and educational groups that Dr. Willets for the University took the leadership in organizing a department to correlate more closely the work of education and industry.

SCOPE

The scope of the Department can be as wide as are the ramifications of employees' activities. Two ideals guide the Department in undertaking work. The first of these is to work intensively, confining the research studies to the area of the Philadelphia labor market. This limitation carries the Department into Delaware as far as Wilmington and its environs, across the river to Camden and Collingswood in New Jersey and into such manufacturing parts of Pennsylvania as Chester, Reading, and Shamokin. The limitation of area should make possible a continuous contact with members as well as background of knowledge concerning community factors which are common to all concerns in influencing workers. It is this knowledge of the background of community factors that should in time make the work of the Department of greatest value. Nowhere before has there been an attempt, over a long period, to study seriously the problems of a single local market. Writers have said that, "the state of employment in certain trades is affected more by purely local variations than by seasonal and cyclical fluctuations," or that, "even taking the labor market as a whole, the state of employment varies as much from one city to another as it does from one season to another."¹ This would indicate the need for careful study within industrial communities.

¹ Smelzer, D. P., *Unemployment and American Trade Unions*, Johns Hopkins University Studies—Series XXXVII, No. 1, 1919, p. 25.

The second ideal in connection with the development can be realized only in part, though it furnishes a yardstick to measure somewhat the Department's scope. As an Educational Research Department the material of most value in the long run is secured by the continuous reporting of data. This gives time for the standardization of records and makes possible the elimination of seasonal factors as well as the comparison of results under different manufacturing conditions. It is unlikely that anyone could foresee in a single tabulation all the various comparisons which future inquiries will show to be of value. There will be available a body of data, similar in its circumstances of collection, which future students of industry can re-analyze in terms of new problems. From another point of view there is also an important limitation upon the scope of the Department. There will always be research problems of primary interest to individual firms. Some technical matters and questions concerning the raw products of an industry can be better studied in the firm itself. Thus the work of the Department supplements without in any way replacing research carried on in the plants.

Even in personnel matters much data is necessary for information and for correlation with other records within the plant, although some of this is merely of short-run value. One might say that there are roughly three types of information and research: (1) Records kept purely for purposes of immediate information; for instance, if an employee is injured, someone must know what relative to notify. If a young person is hired, someone must know his age, purely as a matter of legal record. (2) Other material is of more value for purposes of interpretation. If this relates to the specific

industry, it might better be analyzed and studied in that industry. Some data may even be of technical value for the wider group represented by the trade. In such cases, no one would argue that material should be collected and remain unanalyzed. The bearing of the conclusions, however, will be definite enough in terms of the product to insure analysis and summarization by the plant or trade concerned. (3) There is a third class of facts which frequently become of value only in terms of community factors or of a large group of industrial establishments. Perhaps the problem of the shifting of employees from plant to plant is as good an illustration of this sort of problem as one can find. Within limits certain analysis can be made in each plant. Yet no plant exists unto itself. Its labor supply is affected by community, climatic and seasonal factors. The data of a plant become valuable in so far as the concern can avail itself of the knowledge of the effect of these factors in other plants.

Difficulty arises, however, whenever plants begin to compare with each other. Because for purposes of comparison: data at each plant must have been collected and compiled in the same way; records must be continued consecutively over a fairly long time; and occupational titles should be defined and used with a common connotation. To make occupational comparisons valuable, titles should be defined carefully and should be used in all plants in accordance with the descriptions agreed upon. For any such program, there is needed a common clearing house. With any start of common definition for one study, it is quite possible to widen the studies for which such standardization can be used effectively.

It has been recognized for years that the most successful business men

are those who read correctly "the signs of the times" and determine policies on the basis of facts accurately collected and carefully analyzed. The more expert they become in foreseeing the immediate future by the immediate past and the more fortunate they are in discovering business principles that hold good in the long run, the more certain it is that they will attain success. What is only imperfectly recognized today, both by business men and by research organizations, is the practical importance of personnel statistics continuously collected and scientifically analyzed on a scale too big to be handled by any one business firm.

AIM

The aim of the Department is somewhat anticipated by the statement of scope. Concretely, the Department of Industrial Research aims not only to study the factors of the Philadelphia labor market but to set up such standards for the collection of personnel statistics as will make possible the continuous compilation of labor data in this community for such industrial facts as experience shows to be of value in formulating a labor and production policy in the area. The matter of continuous reporting has already been stressed. During the past year the problem of unemployment in Philadelphia was much discussed. Each speaker, according to his temperament, guessed how many were out of work in the city. Had any organization been recording the number on the payroll and the number of workers laid off there would have been some basis, although inadequate, upon which to base plans. The Philadelphia community, notably the firms and educational institutions, should be dissatisfied with inadequate information for dealing with such a problem in

a new crisis. An outstanding problem of this character will get attention from many agencies. The Department can assist mainly in supplying supplementary data collected and analyzed continuously. In the formulation of a labor policy it is recognized that there is no possibility of setting up a permanent inelastic program. The industrial relations problem is an ever-changing one. If ship carpenters are scarce, refusal to adjust wages will not carry employers far, though the wage may have been considered adequate in the past. If an industry is expanding, refusal to permit training, or inadequate methods in training, will create problems difficult to adjust. An open-minded experimental attitude toward production policies is needed, but open-mindedness alone never will insure just policies. The problems involved are in part technical. No amount of good intentions will prevent the formulation of an unsound wage policy. Decisions concerning industrial relations can only be made on the basis of economic training and knowledge of industrial facts.

Despite this very ambitious distant program, outlined for the Industrial Research Department, the method of working involves taking one simple problem and continuing emphasis upon the study of that problem, until the group interested in that problem is large enough to be a typical statistical sample.

Also the records must be compiled long enough to suggest the study most likely to yield the information missing for complete interpretation of the special factor being emphasized at the time. When a new study is added the old one will be continued. There will thus be built up a series of studies related to and growing out of each other. Each one will require more and more careful contact with the individual

plant. The continuous widening of the scope of the work must be in terms of the problems and needs of each plant. If other educational institutions, working with employment associations, should establish similar research organizations, all cooperating,

there would be built up an interchange of information in community terms which, at crucial times, might assist in a wise choice of policy, but which more than anything else might help in building up sounder practice in the day-by-day industrial relationships.

PART I

I—REASON FOR THE SELECTION OF THE LABOR TURNOVER STUDY

I. Labor Turnover a costly item, 171 — Necessity for plants to analyze labor mobility, even in time of depression, 171 — Need of uniform and continuous reporting, 172 — II. Reasons for leaving classified according to standard practice, 172 — Sample method of reporting, 173 — III. Definitions of resignations, discharges, lay offs, 174 — List of classified reasons for leaving, 174 — Why "avoidable" and "unavoidable" are not used, 176 — Formula used for the uniform calculation of turnover, 176 — Annual basis preferable, 176 — Why exits are also analyzed by departments, occupations, length of service, age, 177 — Description of sheet used for recording of data, 179 — Value of quarterly and yearly reports, 179 — IV. Discussion of nine major reasons for resignations, 180 — Reasons show need of improvements in plant, 181

A NUMBER of factors influenced the Department in selecting Labor Turnover as its initial point of attack. In the first place it must be borne in mind that the Department was started in the deep trough of the depression period. At a time when firms are scanning costs carefully the expense of the mobility of employees is not the most important item. In fact the quitting of an employee usually relieves someone in the organization from the unpleasant task of laying him or his fellow off. Capital and new orders are for the time being the important considerations. Inevitably emphasis must be turned to the scarcest factor in the business situation. Since this is not labor, there will be a tendency to cut down the keeping of labor-department records, and the analysis of such data will seem of little interest. This management point of view is well expressed in the following quotation from the letter of an executive in a very coöperative firm.

We have not been hiring anyone for almost two years and the folks leaving our employ do not leave because of any dissatisfaction either on their part or ours. The few that do leave our employ are fortunate enough to secure some other

work that for the time being pays them better. This is not a true condition of affairs. In fact, I feel that all efforts of comparison at the present time are a waste of time and effort.

When business has improved sufficiently so that industrial plants are building up and have cause to hold their present corps of workers, it is then that comparisons become valuable. If you could conserve your fund until it would mean something to industrial plants, I believe you would have a great many interested whom you could not interest today.

Among the firms, then, there are wide gaps likely to occur in the recording of data during a depression and still wider omissions in the analysis of records. For two reasons this is unfortunate. First, from the broader point of view of the control of business depressions, information will be lacking upon which to base a control policy. Second, and more important, from the point of view of the plant itself there will be no careful watching of the shift in stability as the industries begin to return to activity. For instance, the improved employment situation in April of this year was reflected at once in every plant reporting in the group by a marked increase in turnover

among laborers. This occupational group alone accounted for the moving upward of the total turnover at a time when lay offs had become less of a factor.

Conditions, then, inherent in the business situation, would have pointed to labor turnover as a subject likely to yield some information otherwise certain to be permanently lost. Besides it was important that a subject be chosen which was of interest to all plants. Even when plants have not been able to provide the careful interviewing and extra recording which is necessary to coöperate directly in the turnover study there has been much interest in the comparisons of other firms. It was then not only a subject known to every one, but one in which group comparisons were undoubtedly of great value.

From the point of view of research the interest of the firms in the subject made possible regular and continuous monthly reporting. In any work where standardization is necessary for comparisons, records must be continued for some time in order to make the adjustments necessary to secure uniform data. For this reason the early months and in fact the first year of work was really preliminary

despite the fact that much had been done in this field by previous investigators.

Perhaps the most cogent reason for the selection of this particular study was the fact that it was one in which firms are concerned both with its immediate computation for returns, and with its long-run trends and tendencies in interpreting their own experience and in utilizing the experience of others. Whenever attention is directed to long-run tendencies, the discussion of a study inevitably points to conclusions which cannot be drawn owing to paucity of data or inability to cover the field. Turnover in itself is in many cases a symptom, not a cause. For this reason the future of the Department will lead it to plough deeper into many of the problems now growing out of the turnover approach. It may be considered a tribute to the earnestness of the Philadelphia Industrial Association Group that at the end of the first year of research they were willing to undertake a study of the sources of labor supply which involves knowledge of the past training and experience of workmen with an honest attempt to discover what the workman is himself looking for as he moves from plant to plant.

II—COLLECTION OF DATA

The first step in a community study of labor turnover involved the issue of a bulletin of standard practice in classifying reasons for leaving. The Department does not claim credit for original methods in this grouping. Work already done by individual plants, as well as by industrial students, had been coördinated by The Scott Company. To this, much was added by

their group of technically trained men and the results arranged in workable form in their Day Book Code. In adapting this material to its needs the Department had the assistance of Mr. Donald Paterson, now of the University of Minnesota. The heartiness with which the bulletin has been accepted in Philadelphia and other areas, is due to Mr. Paterson's experience in

avoiding overemphasis upon reasons of immediate importance at the expense of those likely to appear with industrial recovery.

Even now, no finality is claimed for the bulletin as here printed. Slight modifications have been made in it during the year and a half of use. Doubtless other students will modify parts of it still more. It has served to classify the records of twenty-five firms, representing widely different industries. The advantage of the bulletin has been that reports from plants were received in detail with an effort to retain as much as possible of the atmosphere of the shop. A group-

ing is made into general classes, at the same time that the shop detail is recorded in the computation, which goes to each firm. The more general classes are useful for comparisons with other plants. When groupings are made in one plant on the basis of its own experience, consideration is likely to be given to some factor important at the moment; no provision is usually made for new reasons. When this reason occurs it must either be classed under "miscellaneous" or occasion a wholly new grouping.

A sample is here shown of the way in which raw material is reported to the Department:

CAUSES OF LEAVING

NAME OR NUMBER	RACE AND SEX	DEPARTMENT	POSITION HELD	DATE ENTERED	DATE LEFT	REASON FOR LEAVING
W. Thompson..	C M F	Janitor Service	Cleaner	5-17-21	5-30-22	R D L M Accident—home burned
J. Doe	C M F	N. V.	Grinder	5-14-22	5-17-22	R D Did not feel grinding L M was his vocation.
M. Smith	C M F	Engine	Operator	5-1-22	5-20-22	R D L M Inattentive to her work
L. Allen	C M F	"	"	4-13-22	5-20-22	R D Mechanics could not L M get machine fixed
B. Donnelly...	C M F	"	Inspector	3-30-22	5-25-22	R D L M Better paying job
	C M F					R D L M

These detailed reasons are grouped by the Department according to instruction printed in the following chapter.

III—SUGGESTIONS FOR GREATER UNIFORMITY IN THE STUDY OF LABOR TURNOVER

ANALYSIS OF REASONS FOR LEAVING

1. Main Classifications

There is no common understanding of the meaning of the terms "Resig-

nation," "Discharge," "Laid Off," in the various reports studied so far. For example the following classifications were found in a single report from one company:

Inefficient—Discharge
Not Efficient—Laid Off
Not Steady—Discharge
Unsteady—Laid Off

It is proposed that all exits be classified into one of the following three groups: "Resignation," "Discharge," and "Laid Off." The classification of an exit into one of these three groups should be based on the following definitions:

A *resignation* occurs whenever an employee terminates his service with a company.

A *discharge* occurs whenever a company terminates the services of an employee because of some real or imagined fault of the employee.

A *lay off* occurs whenever a company terminates the services of an employee because of a lack of work.

(Note: A fourth group of "Miscellaneous Reasons" covering death, injury, old age, etc., occur rarely. Such reasons are of little practical importance and can be classified under Resignations.)

2. Minor Classifications

There is no standard list of the reasons for leaving now in general use. Some companies use a very short list and soon discover that many exceptional reasons occur that fall outside the list. Other companies go to the extreme of using an unlimited number of reasons and experience great difficulty in attempting to compare the nature of the turnover in one period with that of another period. Such an unlimited list of reasons leads to unwieldy turnover reports. The following list of reasons is proposed as a suitable compromise. This list yields definiteness in that practically all possible reasons can be readily classified. At the same time its major subdivisions are few enough to make comparisons easy and to keep periodic turnover reports reasonably short.

REASONS FOR LEAVING

R. RESIGNATIONS	Code No.
1. <i>Dissatisfaction with Wages</i>	10
<i>Specific Reasons</i>	
Rate.....	11
Earnings.....	12
Uncertainty of amount.....	13
Method of computing.....	14
Method of pay.....	15
2. <i>Dissatisfaction with Nature of Job or Working Conditions</i>	20
<i>Specific Reasons</i>	
Work too hard or too heavy	21
" " dirty.....	22
" " dusty.....	23
" " wet.....	24
" " smoky.....	25
" " cold.....	26
" " hot.....	27
" " noisy.....	28
" " oily.....	29
" " dangerous.....	30
" " monotonous.....	31
Work causes too much nerve strain.....	32
Work causes too much eye strain.....	33
Poor lighting.....	34
Unpleasant smells.....	35
Unsatisfactory toilet facilities.....	36
Unsanitary conditions.....	37
Work unhealthful.....	38
Machines too high.....	39
3. <i>Dissatisfaction with Hours or Time of Work</i>	40
<i>Specific Reasons</i>	
Hours too long.....	41
Hours too unhandy.....	42
Night work.....	43
Sunday work.....	44
Seven days' work.....	45
Lost time.....	46
Overtime.....	47
4. <i>Dissatisfaction with Labor Policies</i>	50
<i>Specific Reasons</i>	
Dislike of management.....	51
" " foreman.....	52
Unadjusted grievance.....	53
Request for transfer refused.....	54
No chance to advance.....	55
Labor trouble threatened.....	56
Strike.....	57
Desire for vacation or change of work.....	58

5. <i>More Attractive Opportunities Elsewhere</i>	60	Physically unadapted.....	112
<i>Specific Reasons</i>		Incompetent.....	113
To take job with better pay	61	Spoiling work.....	114
To take job with better hours.....	62	2. <i>Discharged for Disciplinary Reasons</i>	120
To take job with better future.....	63	<i>Specific Reasons</i>	
To go into business for self.....	64	Careless.....	121
To retire.....	65	Lazy.....	122
To take former job.....	66	Caught loafing or sleeping.....	123
To work at trade.....	67	Habitually absent.....	124
To go to school.....	68	Unreliable.....	126
To join army or navy.....	69	Disagreeable.....	127
6. <i>Community and Family Reasons</i>	70	Dissatisfied.....	128
<i>Specific Reasons</i>		Chronic kicker.....	129
Sickness in family.....	71	Disturber or trouble maker.....	130
Needed at home.....	72	Refused transfer.....	131
Family moving.....	73	Violation of rules.....	132
Dislike of city.....	74	Insubordination.....	133
Dislike of climate.....	75	Dishonesty.....	134
Housing conditions.....	76	Intoxication.....	135
Poor schools.....	77	Immoral.....	136
Narrow acquaintances.....	78	Fighting.....	137
Factory too far from home.....	79	L. LAY OFFS	
7. <i>Personal Reasons</i>	80	1. <i>Business Conditions</i>	140
<i>Specific Reasons</i>		<i>Specific Reasons</i>	
Wanderlust.....	81	Industrial depression.....	141
To accompany a friend leaving.....	82	Cancellation of orders.....	142
Leaving city.....	83	Seasonal fluctuation.....	143
Leaving U. S.....	84	Completion of temporary work.....	144
Marriage.....	85	2. <i>Manufacturing Conditions</i>	
Leave of absence.....	86	<i>Specific Reasons</i>	
8. <i>Physical Reasons</i>	90	Change in industrial processes.....	151
<i>Specific Reasons</i>		Discontinuance of department.....	152
Superannuated or pensioned	91	Shortage of material.....	153
Death, occupational causes	92	Breakdown.....	154
" exterior ".....	93	Strike or lockout.....	155
Ill-health due to factory work.....	94		
Ill-health due to exterior factors.....	95		
Injury from work.....	96		
Injury from outside causes.....	97		
Pregnancy.....	98		
9. <i>Reasons Unknown</i>	100		
<i>Specific Reasons</i>			
No reason given.....	101		
Left without final interview.....	102		
Quit without notice.....	103		
Hired but failed to report.....	104		
D. DISCHARGES			
1. <i>Discharged for Incompetency</i>	110		
<i>Specific Reasons</i>			
Worker is slow.....	111		

In using the above list of reasons for leaving it is recommended that a record of the specific reason for the departure of each employee be kept. The tabulated turnover reports should then use the major headings as a matter of routine. In this way detailed data are always available for more minute analysis if desirable. For example, should a company's report show an unusually large number of resignations because of reason 20 (dissatisfaction with nature of job and working conditions), it would be a simple matter to prepare an additional report that would show exactly what

specific working conditions were responsible for the situation.

This recommendation is based on the principle that labor turnover studies should primarily reveal general tendencies with emphasis on details only when the details seem to be important.

No attempt has been made to classify reasons for leaving as "avoidable" or "unavoidable." Experience has shown such classifications to be unsatisfactory and in some cases misleading. It is difficult to classify any particular case of turnover as avoidable or unavoidable. A particular discharge may be unavoidable at the moment, yet discharges are clearly avoidable in the majority of cases, for they represent an error in selection and placement by the employment department, inadequate training or upgrading of the employee in his job or the lack of effective leadership in managing him. Yet some companies classify discharges as unavoidable while other companies classify discharges as avoidable. Such lack of uniformity makes it difficult to interpret the turnover reports issued by different plants.

Again, a ten per cent lay off because of seasonal fluctuation of the business may for the moment be unavoidable. Had a different sales policy been in effect or perhaps had a manufacturing-to-stock policy or a manufacturing of a side-line product policy been in effect, it is possible that no such lay offs would have been necessary.

Ill-health and sickness are classified by some firms as unavoidable. Experience has shown that it is possible to cut down a certain amount of turnover for such reasons through medical examination, medical advice, first aid, nursing service and campaigns of education in hygiene and right living.

Even such a limited consideration of "avoidable" and "unavoidable" reasons indicates the impossibility of making such classification with even a fair amount of accuracy. For this reason an effort is here abandoned and

a procedure is recommended that will give uniform results from one company to another if the simple definitions of "resignation," "discharge" and "laid off" are adhered to.

The purpose of the classification here proposed is to bring about greater uniformity in labor turnover studies in order that one company may know how its turnover problem at one period compares with that of another period.

COMPUTATION OF LABOR TURNOVER

The lack of uniformity in classifying reasons is paralleled by a similar lack of uniformity in methods of computing labor turnover. Without discussing the merits of the various methods it is proposed that the following method of computation be adopted. State labor turnover in the form of the percentage of the number of terminations of employment to the average force on the payroll during the year. For example, if the average force on the payroll during a year is 50 and the number of terminations during the year is 50, the turnover for the year is 100%. That is, the number of terminations (50) is divided by the average force (50). The result is a percentage figure of 100.

This method recognizes the necessity for expressing labor turnover by a figure that reflects not only the significance of changes from the point of view of cost to the employer but also from the point of view of cost to the public and the employee. This method gives a general picture of the turnover situation as a whole.

It must be recognized that a labor turnover percentage in itself gives only a vague idea of labor fluctuation. It needs to be broken down so as to show the "Resignation Turnover Per Cent," the "Discharge Turnover Per Cent" and the "Lay Off Turnover Per Cent." Indeed it may even be desirable to show turnover percentages for various specific groups of reasons. By such a procedure the nature of the turnover as well as the amount of turnover is revealed.

REDUCING ALL TURNOVER PERCENTAGES TO A COMMON BASIS

Labor turnover reports may be issued weekly, monthly, quarterly, semi-annually. Within a given company all of these reports might be issued as a matter of routine. If all such reports reduce the turnover percentage to a yearly basis it is evident that the amount of turnover for a week, a month or a quarter, may then be directly compared.

The procedure for reducing the turnover for a given period to an annual basis is as follows:

1. *Weekly figures.* The number of terminations occurring during the week is multiplied by 52 to show how many terminations would occur during a year if the number of terminations were to continue at the same rate. Dividing this number by the average payroll for the week gives the desired turnover percentages on an annual basis.

2. *Monthly figures.* If the figures cover terminations for a four-week period then you multiply the number of terminations by 13 to get the number that would occur during a year at the same rate. If the figures cover a five-week period then multiply by 10.4, because five weeks go into the 52 weeks in a year ten and four-tenths times. If a calendar month is used multiply by twelve. Dividing this number by the average payroll for the month gives the turnover on a yearly basis. The average payroll for the month is found by adding the number on the payroll at the beginning of the month and at the end of the month and then dividing by 2.

3. *Quarterly figures.* The figures should cover a 13 week period (made up of two four-week and one five-week periods). The number of terminations during the 13 week period is multiplied by four to get the number that would occur in a year's time. This is then divided by the average payroll for the quarter (*i.e.* the average of the three average monthly payrolls).

ANALYSIS OF TURNOVER BY DEPARTMENTS

Ordinarily, turnover by departments should be analyzed to the extent of showing the amount of turnover for each department and the reasons for leaving each department. In this way the departments in which the turnover is most heavily concentrated are automatically pointed out. The tabulation of the reasons for leaving each department shows immediately what caused the excessive turnover in those departments.

To carry forward this analysis as a routine matter implies the existence of figures showing the number of employees on the payroll by departments as well as a record showing the department in which each exit was employed and the reason for the departure of each exit.

ANALYSIS OF TURNOVER BY OCCUPATIONS OR CRAFTS

If the occupations in the company have been carefully classified and arranged in a workable Occupational Index, it is then possible to carry forward an analysis of turnover by occupations. Here again the purpose is to identify those occupations in which labor turnover is excessive. The reasons for leaving each occupational group should also be tabulated so that the cause of excessive turnover in any occupational group may readily be determined.

Such occupational analyses become unwieldy unless all similar occupations have been grouped together in an index. With an index listing twenty or thirty major occupational groups it is a simple matter to carry forward the number of employees in each of these groups to tabulate the number of exits from each group and to record the reason for leaving. Occupational analyses of this sort are of unusual value because of the relation of wages to occupations and because competition for labor on the part of other firms is usually a competition by crafts.

It is unfortunate for purposes of the

coöperative study of turnover in a given industry or in a given community that there is no standard occupational index in existence. The nearest approach is the "Trade Specifications and Index of Professions and Trades in the Army" issued by the War Department on March 21, 1918. It is doubtful whether the companies coöperating in these labor turnover studies would gain much by the use of the Army Index. The coöperating companies represent many different industries so that relatively few occupations are common to them all or even to a small number. For this reason the occupational index would be a very lengthy and bulky affair, only a small part of the index being applicable to any particular company.

The situation seems to demand a separate occupational index for each company. Since many companies do not have a systematized classification of their jobs at present it is recommended that each company should prepare an index for itself. This index with the turnover record should be submitted to the Industrial Research Department to facilitate occupational turnover analyses for each company.

ANALYSIS OF TURNOVER BY LENGTH OF SERVICE

It is important to study turnover in relation to length of service to determine whether turnover is excessive among new employed or whether it is excessive among any other length of service group. Turnover for a company as a whole may be relatively small and yet an excessive turnover may exist among some particular length of service group. To definitely measure turnover in relation to length of service is ordinarily difficult, for it involves a periodic inventory of the length of service of employees on the job. This type of analysis has rarely been made.

The usual procedure and the procedure here recommended for routine turnover reports consists in recording

the length of service of each exit, tabulating the distribution of the length of service of exit in such a way as to compare the length of service of those exits who resign, are discharged or laid off.

ANALYSIS OF TURNOVER BY AGE

A record of the age of each exit will permit the Research Department to study important relationships between age and sex, and turnover in certain occupations. For example, a very definite and important relationship has been found by some companies between age and stability of common laborers. It will take considerable research work to discover how universal such relationships are—each company can make a real contribution to these studies by furnishing the necessary age and occupational data about each exit.

TURNOVER BY EDUCATION, NATIONALITY, DEPENDENTS AND MARITAL STATUS

No question of turnover is of greater importance than the relation of education to occupational satisfaction. A few experimental studies give much promise. Unless the education record is carefully procured, conclusions will be misleading. It is necessary to know the age at which the exit left school as well as the grade attained. The accumulation of data concerning the education, nationality, dependents, etc., of each exit from the various coöperating companies will in time permit the Research Department to make studies of the relationship between turnover and these various factors. At the present time there is much speculation and numerous opinions concerning the effect of these factors on turnover, but little actual knowledge is available. Results from the reporting of such detailed data could be secured only after a considerable time. It is believed, however, that study of these factors will yield results that will, in the long run,

more than repay the coöperating members for the expense involved in submitting to the Department such data concerning each exit.

SUMMARY OF DATA TO BE SUBMITTED BY COÖPERATING MEMBERS

The following data should be submitted *monthly* to the Department by each of the companies coöperating in the study of labor turnover:

1. *Departmental Labor Inventory.* This is a list of the departments showing the number of employees on each departmental payroll on the first day of the month.
2. *Occupational Labor Inventory.* This is a list of the major occupations showing the number of employees in each major occupation on the first day of the month.
3. *Data Concerning Exits.* This is a list of all exits during the preceding month showing for each exit the department, occupation, specific reason for leaving, length of service, age and sex.

The Department will issue record sheets that will facilitate the recording of data. To save space on the record sheet and to reduce the clerical work involved in entering the data it is necessary to print on the record sheet itself certain items that only need to be circled in making an entry. The items are as follows:

Age:—Blank space for entry of date of birth.

Race and Sex:—Letters M and F printed on record sheet. Circle M in case of male and F in case of female exit. Colored will be indicated by circling C as well as male and female.

Length of Service:—Two spaces provided for the date of entrance and date of leaving, showing the total length of service of the employee.

Reason for Leaving:—Letters R, D, L, M printed on record. Circle R for resignations, D for discharges, L for laid off, M for miscellaneous. Space for entering the specific reason

for leaving. See "Reasons for Leaving" list. Circling the letter for items is insufficient. A detailed reason should also be given.

Department:—Space for entering the name of the department being left by the exit.

Occupation:—Space for entering the name of the occupation the person is leaving. These names to be furnished by each company for its own list of occupations.

REPORTS TO COÖPERATING COMPANIES BY THE DEPARTMENT

The chief value of an elaborate turnover report lies in the discovery of trends and tendencies that need correction. Monthly reports are apt to reflect momentary conditions that are absent in subsequent months. The short weekly and monthly reports usually compiled within a company reveal these momentary conditions to a sufficient extent for all immediate purposes.

Detailed turnover reports that will disclose important trends and tendencies need to cover a number of months. It is probable that semi-annual reports will best serve this purpose.

Such semi-annual reports will include an analysis of changes in the amount, nature and causes of turnover from month to month. In this way those conditions that exist in only one or two months will be concentrated with the more important trends that show up for a number of months.

The Department will tabulate the turnover figures from each company at the end of each month and at the end of each three months' period will prepare a special report. The special quarterly report for any company will concern itself, of course, with the turnover figures for that company alone.

In this way each company will receive a direct service from the Department relative to its own turnover figures. At the same time the Department will be able to render a more general service by supplying all the

companies those general facts and relationships that are discovered from time to time and such comparisons as are at all useful and comparable.

A form covering the items already

discussed is supplied to firms. This is printed in the appendix. In a few cases a more detailed form is used by the plant, equipped to give such information. (See exhibit Nos. 1 and 2.)

IV—DISCUSSION OF GROUPING OF MAJOR CLASSIFICATIONS

SIGNIFICANCE OF MAIN DIVISIONS AND MAJOR REASONS OF TURNOVER

Nine major reasons will be found under Resignations:

- (1) Dissatisfaction with wages.
- (2) Dissatisfaction with nature of job or working conditions.
- (3) Dissatisfaction with hours or time of work.
- (4) Dissatisfaction with Labor Policies.
- (5) More attractive opportunities elsewhere.
- (6) Community and family reasons.
- (7) Personal reasons.
- (8) Physical reasons.
- (9) Reason unknown.

The first four groups show roughly the relation of the employee to his own plant, the fifth deals with the employee in his relation to other plants, the sixth and seventh attempt to distinguish between social and personal reasons. This latter classification is significant mainly in the industries employing women, since a large item in the "personal" group is due to resignations of women "to be married." The "unknown" does not in most cases represent poor statistical reporting, but comprises rather the cases of employees who quit, giving such an indefinite reason that no one can distinguish between the primary cause and general dissatisfaction due to many circumstances.

Frequently questions arise concerning the reliability of reasons given to the interviewer of an employer. It is true that a worker rarely resigns for

any one reason, his decision to leave is often influenced by a series of previous occurrences. Even at the time he leaves, secondary reasons are often given. The interviewer is forced to judge the circumstances that seem to be of most influence, by his knowledge of the character of the foreman, by his previous contact with the worker, or by difficulties in connection with production or earnings at the time. In a large number of exits the secondary reason for one employee will appear as primary for another. Over a long period the reasons causing most difficulty should appear. The reasons given throughout this report are those secured by the interviewer at the plant reporting. It would be desirable to check certain reasons by personal interviewing after the employee has left the plant. For instance, when such interviewing is possible the "work elsewhere" group changes somewhat. But little work has been done in checking, nor would it be easy to do such work later. Besides many of the reasons would still be far from exact. As will be pointed out later, there are rough checks in the figures themselves. Again, many reasons are too subtle to appear directly. For instance, relations between education and occupational satisfaction, between age and stability, between promotion and skill, etc., must be arrived at indirectly. Such a reason as "lacks confidence" often should be checked with the education and past experience of

the worker—these more subtle causes being unknown to either worker or recorder.

To show that it is possible to get complaints that pertain to the work and the management, an analysis is here given of the detailed reasons, grouped under "Working Conditions" and "Labor Policy" at a textile plant, during 1921. From the reasons one might infer that the firm was operating with poor building and equipment. It is, in fact, a well conducted, modern plant, one of the best in the trade. Despite good lay-out there still remains the question of routing of work and the inter-relation of production as work advances through the shop,

all of which affect the satisfaction and stability of employees.

Could anyone read over the list of reasons without realizing how closely related are matters of industrial organization to employees' stability, in spite of the fact that some of the specific names of operations have been eliminated to prevent identification? One wonders what was the occupation and length of service of the one hundred and twenty-two persons who "disliked the work." These queries can be answered from the figures; there still remains the unanswered question of just what occasioned the dislike. In this case the employment manager does especially well in interviewing.

WORKING CONDITIONS AND LABOR POLICY

REASONS FOR LEAVING	TOTAL	REASONS FOR LEAVING	TOTAL
Disliked work	122	Work too hard on hands	1
Dissatisfied	30	Wanted home work	2
Work too hard	21	Changed to different work	5
<i>Machines</i>		Wanted only the best work	1
Wanted different machine	1	Wanted time work	1
Poor machine	4	Could not get used to points	1
Machine trouble	1	Dissatisfied with wool work	1
Dissatisfied with machine	13	Too much lint	1
<i>Routing of Work</i>		<i>Individual Preferences</i>	
Place had too much system	1	Disliked partner	1
Disliked system	2	Disliked surroundings	1
Had to wait too long for work	1	Disliked large work room	1
Work too different	1	Indoor work too confining	1
Objected to having work examined	1	Too many steps to climb	1
Changed machines too often	1	Did not know what she wanted	1
Wanted two machines	2	Never satisfied—fourth trial	1
Disliked running three machines	1	<i>Difficulty with Foreman or Rules</i>	
Wanted steady work on uniform product	1	Dissatisfied with demotion	2
<i>Type of Work</i>		Dissatisfied with foreman or forewoman	7
Wanted small work	1	Reprimanded for being lazy and left	1
Wanted different work	9	Too big for job	1
Wanted coarse work	1	Dissatisfied with being docked when absent for no good reason	1
Work too fine	3	Disliked rules	1
Work too hard on eyes	4	Broke rules—did not report	1
		GRAND TOTAL	255

He is not satisfied to write down abstract reasons, but, instead, is keeping a record of value to the production manager and foremen in correcting difficulties. Unfortunately the records of many employment departments are useful merely in keeping a file clerk busy. As long as personnel executives are willing to write down "dissatisfied, resigned, left," etc., with no further comment, they are not getting far in coordinating their work with the em-

ployee nor are they securing information worth the expense of recording.

Up to this point the study has dealt with the organization and scope of the Department; methods of collection and standardization have been discussed. The last part of the study will be concerned with production conditions in the area and with a comparison of percentage rates and causes of turnover in public and private employments.

PART II

I—PRODUCTION CONDITIONS

I. Tendency of business movements in 1921, 183 — Turnover periods break in similar way, 183 — Movements inverse in 1921, similar in 1922, 183 — Contrast of men's and women's employment, 184 — Spotty character of production conditions in firms reporting, 184 — II. Firms fall into two groups for turnover percentage. First group goes upward to May, downward to December. Second groups follow each other with high turnover in summer, 188 — General tendency of lay off curve to follow total turnover curve, 190 — Summary description of charts II, III, IV, V, and VI, 190 — Quarterly variations follow monthly, 190 — Difficulty of classifying each main division of exit under its proper reason, 196 — Tendency to like movements found in period, 196 — Too much stress should not be put on voluntary character of resignations, 197 — Lay offs at separate plants, 197 — Many unanswered questions in connection with effect of lay offs, 197 — Discharges due to lack of skill, or connected with discipline, 199 — Opposite forces affect discharges in times of lay offs, 200 — Relation of resignations to lay offs, 200. — IV. Most important major reasons under resignations, 200 — Wage problems may differ although turnover under them be similar, 205 — Percentage under working conditions run parallel with type of manufacturing, 205 — Work elsewhere most important for further study, 206 — Home duties are important in firms employing women, 209 — Personal reasons mainly marriage, 209 — Physical reasons range from 2.1 per cent up to 13.4 per cent, 209 — V. Length of service of exits according to firms 1, 3, 6, 8, 10, 24, 210 — Why larger number of exits have shortest length of service, 210 — Factors involved in summary comparison of turnover in ten firms, 217 — Description of Chart XIII, 217 — VII. Public and Private Employment. Analysis of Chart XIII, 217 — Resignations differ widely. Discharge rates very similar, 221 — Conclusions, 223 — Less floating than is usually believed, 223 — Necessity for coordination of education and research, 225.

BEFORE considering the production conditions of plants in this area it is well to recall the general tendency of business movements during 1921. Professor Charles J. Bullock in the Review of Economic Statistics¹ summarizes thus:

For the United States the year 1921 naturally divides into two periods, which were, respectively, of five and seven months' duration. From January to May the forces making for general liquidation had the upper hand, and commodity prices and business activity steadily declined. Improvement was indeed taking place in industries which had been the earliest to liquidate; but the general trend was downward, although at a perceptibly diminishing rate. This period marked the end of the

wave of general liquidation which broke in the spring of 1920, and constituted the last phase of the business cycle which began early in 1919. In June the second period opened with an upward turn of commodity prices and business activity, which by August had brought substantial recovery from the trough of the depression. The fall months saw further improvement, although somewhat less than the seasonal amount; and then, with the approach of winter, came a normal slackening of trade and industry.

It will be seen in chapter three of this part of the study that Labor turnover was divided into periods of much the same duration, the high point of turnover falling in the April and May months.

A description of the production

¹ January, 1922, Vol. IV, p. 1.

conditions of separate plants is undertaken to show the general spotty character of manufacturing conditions. Wherever comparisons are later made in rates of turnover, this difference in production conditions should be recalled. Another consideration may well be borne in mind, when firms employing women are being compared with so-called men's industries. In the Philadelphia area there has been developed what, for the time being, might be considered a chronic condition of unemployment in the men's industries. The war production brought shipyards, electric supply houses, manufacture of turbine engines and many subsidiary metal trades. These industries have been dying out throughout the year. On the other hand, a number of women's industries have been developing during the same period: clothing, hosiery, mail-order and foreign-trading firms and a number of similar large industries employing women. During the year 1921, when the men's industries were either closed completely or working half time, it was almost as difficult to secure a supply of women's labor as it was at any time during the War. This situation must be taken into account when considering unemployment or labor turnover for plants employing both men and women.

NUMBER OF EMPLOYEES ON PAYROLL

Certain general deductions may be made, however, concerning manufacturing conditions by considering the number of employees on the payroll. Yet, when interpreting business conditions from such data, it must be borne in mind that other factors count in determining the actual production of the area. First, there was a growth of new enterprises, perhaps the most characteristic development of the past year. Some of this movement is

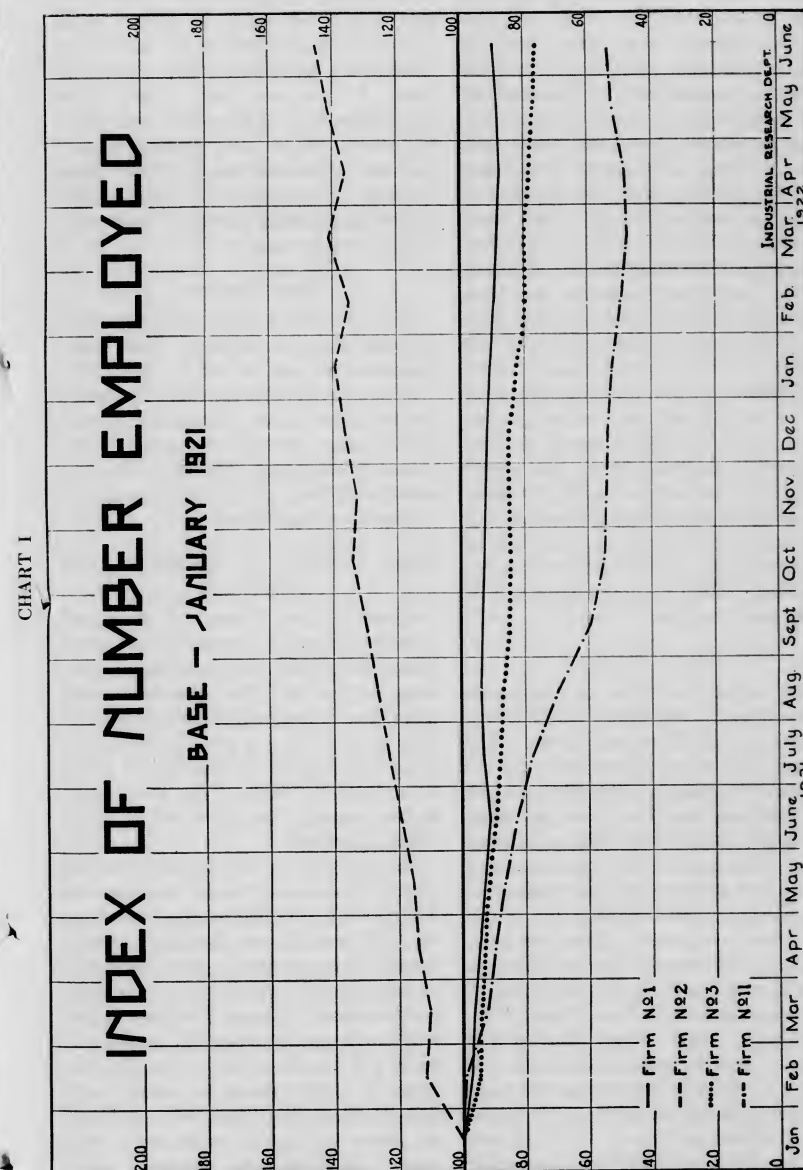
reflected in the reasons for leaving plants, as will be seen later in the study, where attention is given to the occupations from which men resigned, giving as a reason, "to start in business for themselves." Another factor worth notice, though it must not be exaggerated, is the increase in the efficiency of employees. There are firms who report a uniform production despite a 40 per cent decrease in their payroll. This would indicate that, in certain cases, the amount of production has not fallen off in any way comparable with the decrease in number on the payroll.

During the year 1921, production conditions varied at the different plants in the research group. Firms No. 2 and No. 24 increased steadily; firm No. 1 was stationary; No. 3 showed a steady but little marked decrease; Nos. 4, 8, and 15 fluctuated, especially during the summer months; Nos. 6, 7 and 11 decreased spectacularly.

Chart I on page 185 illustrates the wide difference in production as shown by the index of number employed. The curve for firm No. 1 follows the base line closely, that for No. 2 moves gradually upward, increases no more than five per cent in any one month, yet maintains a two to three per cent regular monthly increase. Firm No. 11 shows not only the effect of the depression, but also the result of a post-war adjustment.

Firms Number 2 and Number 24

Firms No. 2 and 24 belong to a textile group; the one makes a specialized finished product, while the other manufactures a staple grade of cloth. Firm No. 2 grew very gradually, the number of employees on the payroll increasing throughout the early months of 1922 in about the same ratio as that of the months of the year 1921. Firm No. 24 had an increase compa-



rable to the development of many concerns during the War. The number on the payroll more than doubled between January and April, trebled by June, quadrupled by September, and continued to increase until November. Since that time there has been a steady movement downward, until by March, 1922, the number of employees is about equal to the number at work in May, 1921. Firm No. 24 has thus had the problem of hiring a large number of people at one time and depending for their supply upon persons trained in other plants of the same type in the nearby area. This rapid increase, as well as the labor conditions of that industry, is reflected in the rapidly mounting turnover percentage considered later in this study. Both these industries employ women. The one is primarily a women's industry, employing about ten per cent of men, whereas, in the other, women constitute roughly about fifty per cent of the total number.

Firm Number 1

The average number of employees on the payroll varied little in the above firm throughout the year 1921. The greatest number employed was in August, though the total variation of the year was less than two per cent. The year 1922 starts with a greater drop. February is 2.7 per cent and March is 3.9 per cent below June, the low point of 1921. When one compares men and women, there is a more striking difference; the number of women employed has decreased steadily month by month from June, 1921, to March, 1922. Even during the summer months, when the number of men on the payroll increased, there was a continuous decrease in the number of women employed. Throughout the period from May to December, the number on the payroll did not vary

from month to month more than 1.8 per cent. Though the year 1922 started with slightly less stationary conditions, there has been a drop of about 1.5 per cent each month since December, 1921. Recovery took place in May and in still greater degree in June. The net result of the slight monthly variations for this whole period of eighteen months is a fluctuation of ten per cent.

Firm Number 3

Firm No. 3 is a high grade specialty manufacturing company. New employees were not added during 1921. After a considerable lay off in February the number employed decreased slowly about three per cent from month to month throughout 1921 and the early months of 1922, mainly through failure to replace resignations.

Firms Number 4, Number 8 and Number 15

Firms No. 4, 8 and 15 represent wholly different types of finished products. They are comparable, however, in the fact that chemical problems determine the production control. The care of labor is affected by conditions growing out of the use of gases as well as by some of the wet operations commonly found in the industries using chemicals.

In firm No. 4 the number on the payroll increased from January to May, 1921. A slight drop in June was followed by an increase in July. During the rest of the year there was a considerable downward movement in the curve, though the year ended with a larger number of employees than was found on the roll at the beginning. 1922 shows a wholly different production situation. Activity began in certain occupations in the month of February. Business since then has made possible a reinstatement

of employees averaging 12 per cent monthly. The eighteen months end with one and one-half times as many employees on the payroll as in January, 1921.

Though the changes are within a very narrow range, firm No. 15 varies from month to month more than any other plant considered in the group. There is a downward point in the curve in March, July and December, 1921. The lowest point is that of July. The points above the base line are in January, April, June and October. Despite this upward and downward movement, there is only an average variation of about ten per cent in the number of people employed, the low point being, as already stated, in July, the corresponding high point in October. The whole of the year 1922 shows a continuous increase accelerated in the past three months. The revival of business conditions in this as in other plants is indicated by the fact that the period here considered ends with twenty per cent more employed than at the beginning—an increase which is largely the gain of the last five months.

Firms Number 6, Number 7, Number 10 and Number 11

These firms belong to the metal group. Firm No. 7 makes a large product, constructed wholly to order. It would be impossible to undertake any manufacture directly, except for actual specifications. Firm No. 11 makes a large proportion of order work, but supplies in addition standard products of world wide use and sale. Firm No. 6 makes a product sold only to manufacturers. Between January and September, 1921, firm No. 6 was reduced almost by half and since November there has been a slight increase, most of which took

place in March, 1922. Firm No. 7 has had to reduce both absolutely and relatively more than any other of the firms cited. By August, 1921, half the number of employees at work in January had been dropped from the roll. By March, 1922 there were one fourth as many persons at work as there were at the beginning of the year 1921. The greatest decreases were lay offs of July and August. If one were to contrast the two firms of the most different production conditions it would be represented by firms No. 7 and 24. No. 24 increased by leaps and bounds, firm No. 7 decreased in much the same way and in similar proportions. Firm No. 11 ended the quarter January-March, 1922 with about half the number of persons at work employed in January, 1921. The greatest decreases of the year were in August and September. It thus lags a few months in this decrease behind firm No. 7, for which it supplies a necessary auxiliary product. Its ratio of decrease has been about one half of that of firm No. 7. The last firm to be considered in this group is No. 10. The difficulty of production in the first half year of 1921 caused a drop in the number of employees of almost two-thirds. Production readjustments and the development of the last months have increased the payroll above the normal pre-war production point.

The present condition of firms who joined after the middle of the year 1921 is omitted from special description, since the period covered is too short to make generalization possible.

Detailed figures are nowhere given to bring out the general spotty character of manufacture. It will, therefore, be important wherever comparisons are later made in rates of turnover, to review carefully these differences in production conditions.

II—COMPARISON OF ANNUAL TURNOVER RATES

Attention has just been directed to the marked differences in production conditions in the various firms reporting. Four firms had heavy lay offs during the year, but as they occurred at different times no significance can be attached to a comparison of monthly total turnover percentages, except perhaps to furnish a partial description of one phase of this depression. Since, however, such comparisons are currently made the figures are given in Table 1 in the appendix. It may be noted, in passing, that No. 1, a firm of low turnover and stationary employment, had its higher rates of turnover in January and May of 1921; by January, 1922, the rate was again high as contrasted with the last six months of 1921 with a similar drop in the months following. Firm No. 2, with an increasing payroll, had its high rate in March of 1921, and again in April of 1922; later months of 1922 drop back to normal.

Other comparisons will be discussed in connection with the relation between total turnover percentages and turnover percentages omitting lay offs. When the lay offs are subtracted, some striking resemblances appear in the general movement of turnover. Table 1 on the opposite page shows the turnover less lay offs. The firms considered fall into two groups. In the first group, which includes all but three firms, the turnover in 1921 was upward from January to April, and downward with slight variations, until the end of the year, when the upward movement, which continues until May of 1922, began again. The three firms excluded above resemble each other though they differ from the larger group. The highest turnover for these firms occurs in the summer and early fall months.

Considered individually, firm No. 1 increased until May and June and decreased until December. In January, 1922, the rate was almost double that of any month in the last part of 1921. Firm No. 2 increased until March of 1921, and decreased each month from that time until April and May of this year. Firm No. 6, a small plant of normally low turnover reached its highest point in May, 1921. The highest rate for firm No. 7 appears in April and May of 1921. From that time each month shows a lowered turnover until 1922 when the exits began to move upward until a new high point was reached in April and May, 1922. April and November range highest for firm No. 10. For this concern the turnover increased in March, 1922 and continued to rise still higher in April and May of this year. In a like way firm No. 11 shows a high point in March, 1921. It resembles the others in that it continued to decrease throughout 1921, but differs in that it has remained low during 1922. April, May and June were high turnover months for firm No. 24. The movement was downward during the rest of the year.

Let us now consider the smaller group of three firms which did not follow the general movement. Firm No. 4 shows a very striking difference in turnover during the summer months of 1921. The rate in July, August and September, with August as a central high peak, was almost double that of the other months of the year. It may be noted here that this firm has followed the larger group, already discussed, in its increased rate during March and April, 1922. April, as well as September and October, were high months for firm No. 8. In 1922 it increased during March and April.

TABLE 1—TURNOVER PERCENTAGE LESS LAY OFFS
19 Firms: January, 1921 to June, 1922

MONTH	No. 1	No. 2	No. 3	No. 4	No. 6	No. 7	No. 8	No. 9	No. 10	No. 11	No. 12	No. 14	No. 15	No. 16	No. 17	No. 18	No. 19	No. 21	No. 24
1921																			
Jan.	19.5	26.6	14.9		32.1	52.4	46.7		27.6	73.1			19.8						92.7
Feb.	15.0	82.7	15.7	24.0	12.3	52.0	51.0		30.4	68.4			3.3						34.1
Mar.	16.1	95.3	29.0	27.0	16.4	68.7	47.1		45.5	146.8			6.6						184.1
Apr.	23.1	51.6	29.4	36.0	20.5	84.8	69.6		66.6	67.7			13.7						204.3
May	26.9	39.3	27.0	26.2	35.4	74.1	23.2		55.9	70.1			36.4						212.5
June	29.4	54.7	36.0	33.5	15.7	61.6	31.5		29.4	59.9			32.3						245.5
July	19.4	45.4	14.0	63.2	0.0	48.8	16.2		51.4	52.0			12.0						162.4
Aug.	9.8	40.7	31.5	70.9	0.0	45.4	35.5		45.8	61.7			25.9						195.8
Sept.	12.0	42.9	14.5	66.5	21.3	54.4	64.6		43.9	50.9			34.6						185.8
Oct.	10.5	28.8	8.8	39.5	14.3	35.2	54.8		36.7	66.4			44.4						156.5
Nov.	7.2	37.9	11.6	32.6	7.1	42.7	33.8		0.0	30.6			10.3	114.0	46.8	146.9			144.4
Dec.	7.6	35.1	8.7	17.8	6.9	25.8	35.7		27.0	27.5			7.4	128.2	19.8				75.0
1922																			
Jan.	24.1	34.5	3.0	18.3	6.9	37.2	19.3		52.7	46.8			33.8	18.1	71.9	96.6	117.3	6.3	26.9
Feb.	14.8	31.0	15.6	36.2	0.0	58.6	23.3		22.0	47.3			61.9	20.6	65.6	58.3	228.2	6.5	72.9
Mar.	18.0	31.5	6.3	51.8	19.9	76.3	98.0		103.5	81.4			83.8	27.3	127.1	48.6	204.9	18.3	127.5
Apr.	14.4	33.4	12.7	66.1	0.0	92.9	125.5		90.7	160.8			90.9	50.6	70.2	54.4	296.7	15.3	116.0
May	15.9	56.2	16.2	83.5	6.5	94.5	140.2		173.7	171.4			104.9	105.8	204.6	54.9	242.5	18.7	201.5
June	18.8	48.9	26.1	119.0	12.8	77.5	163.2		216.6	120.3			83.0	107.3	90.9	33.1	182.2	35.4	202.2
																			249.6

* Estimated.

Firm No. 15 really falls between the two groups. It has a high rate in April and again in October, 1921. Despite the fact that it is a firm of low average turnover, it has followed other firms in the increase of March and April this year.

In considering the turnover with lay offs omitted, the likeness in direction of movement is more striking than the differences. Whether community influences, market conditions or seasonal factors are to be considered dominant in shaping this likeness, can be determined only after longer study.

Four separate charts are presented on the adjoining page for individual firms showing the relation of the turnover percentage when figured with and without lay offs. Lest anyone mistake the figures here given for monthly percentages, statement of the method of computation is repeated. Everywhere throughout this study calculations are made on an annual basis, the method being:

If the figures cover terminations for a four-week period, multiply the number of terminations by 13 to get the number that would occur during the year at the same rate. If the figures cover a five-week period multiply by 10.4 because five weeks go into the 52 weeks in a year ten and four-tenths times. If a calendar month is used multiply by twelve. Dividing this number by the average payroll for the month gives the turnover on a yearly basis.

The tendency of the two curves to follow each other is very marked in the case of firms No. 1 and 2. Firm 11 has three periods of lay offs. In the first period, resignations followed lay offs closely, in the later period the correspondence is less marked. There is a general tendency for the curve of firm No. 8 to follow the total turnover curve. The lay off curve follows the

high points of the total curve in April, August and September, and again in March and April, 1922. The movement is in the opposite direction in October and November. Charts of Turnover Percentage Less Lay Offs are shown for seven groups of firms. (Charts III and IV on pages 192 and 193). A combined chart for ten plants offers an opportunity to contrast the separate firms with the group.

Summarizing, one may say that in the early months of 1921 the tendency of turnover was upward, reaching its highest point in the individual firms in the late weeks of March or in the month of April. The general downward movement from then until December is very striking. All curves soared during the early months of the year. June figures indicate that the trend is again downward. Charts V and VI show the relation between the total turnover and turnover less lay offs for the firms shown in Chart I.

QUARTERLY TURNOVER

The quarterly turnover shows more clearly the similarities already noted. Firms No. 2 and No. 11 are the only ones in the first group where the April to June quarter is not the maximum percentage. Each of these firms had a high rate in March, which placed the average in the first quarter. Firms No. 4, No. 8 and No. 15 fall in the group with its highest rate in the summer. Four and fifteen have high points in the July to September quarter. The variation from quarter to quarter is not great in firm No. 8 and the turnover of the April to June quarter is accounted for by the way in which resignations followed lay offs in April.

In 1922 the general tendency for the April to June quarter is in the direction of higher less lay off rates. The period covered is not long enough for

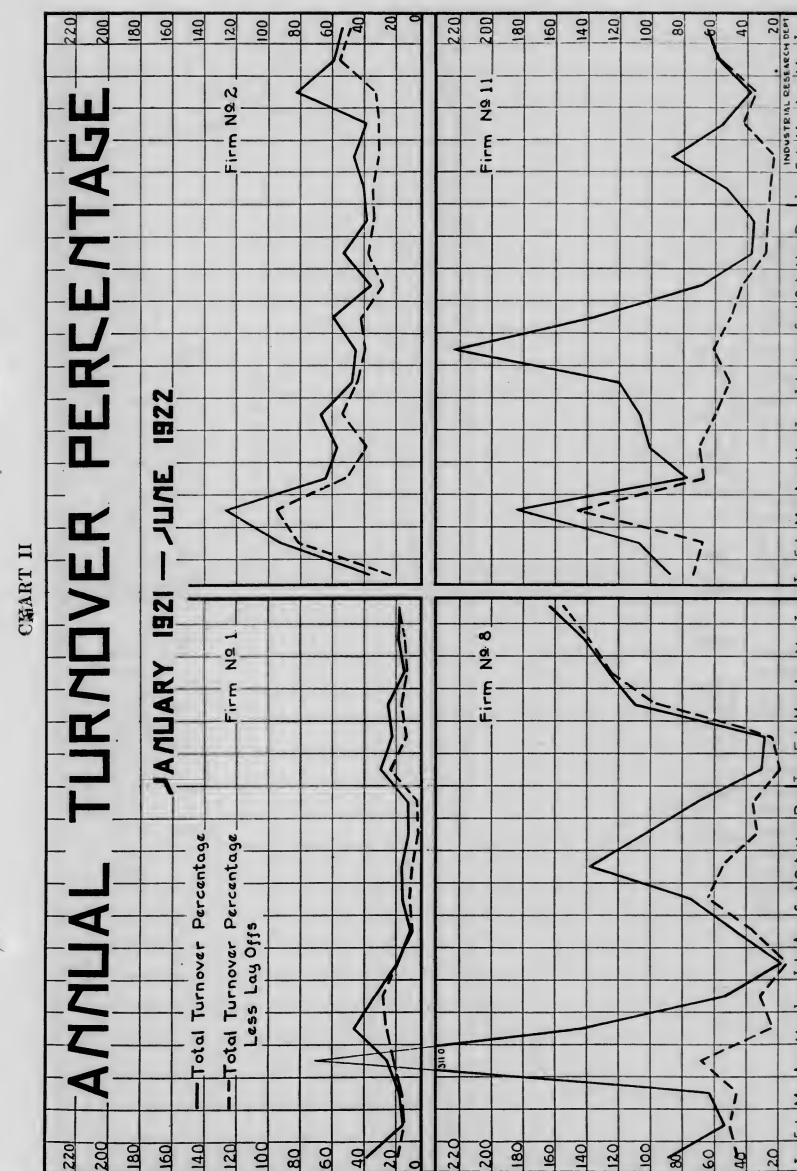


CHART III

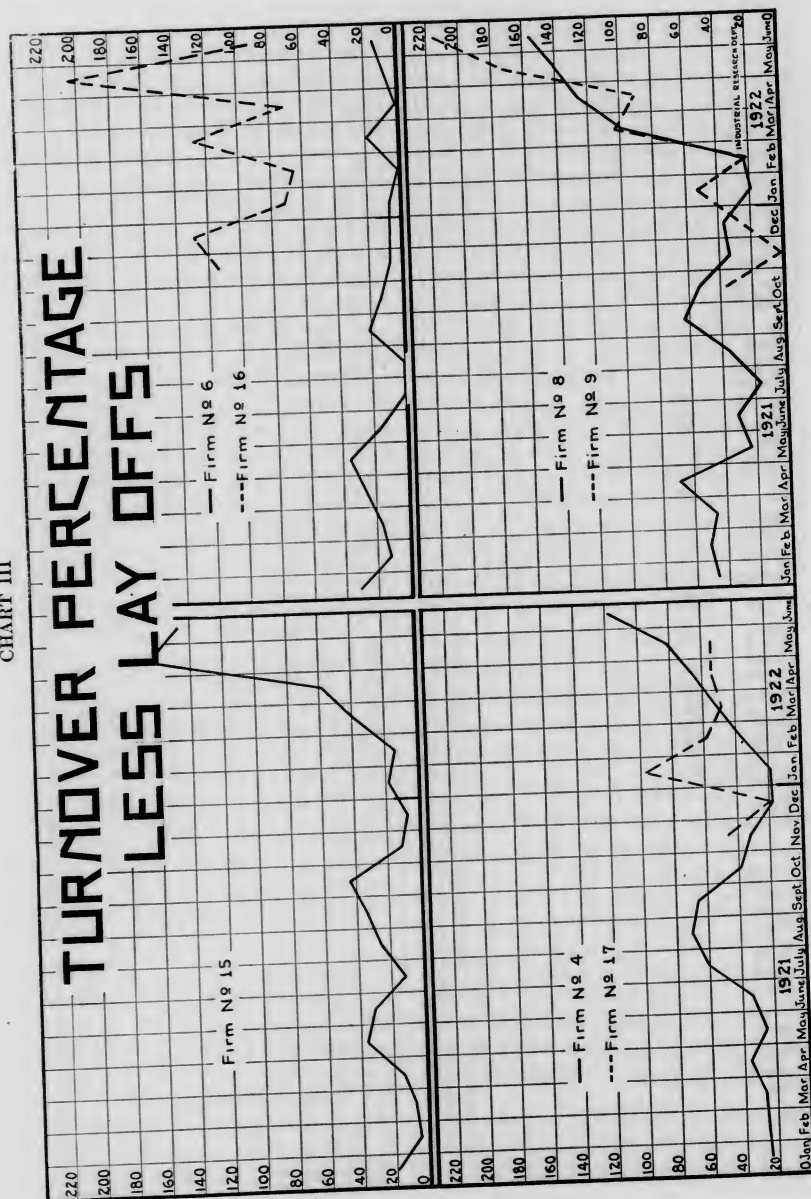


CHART IV

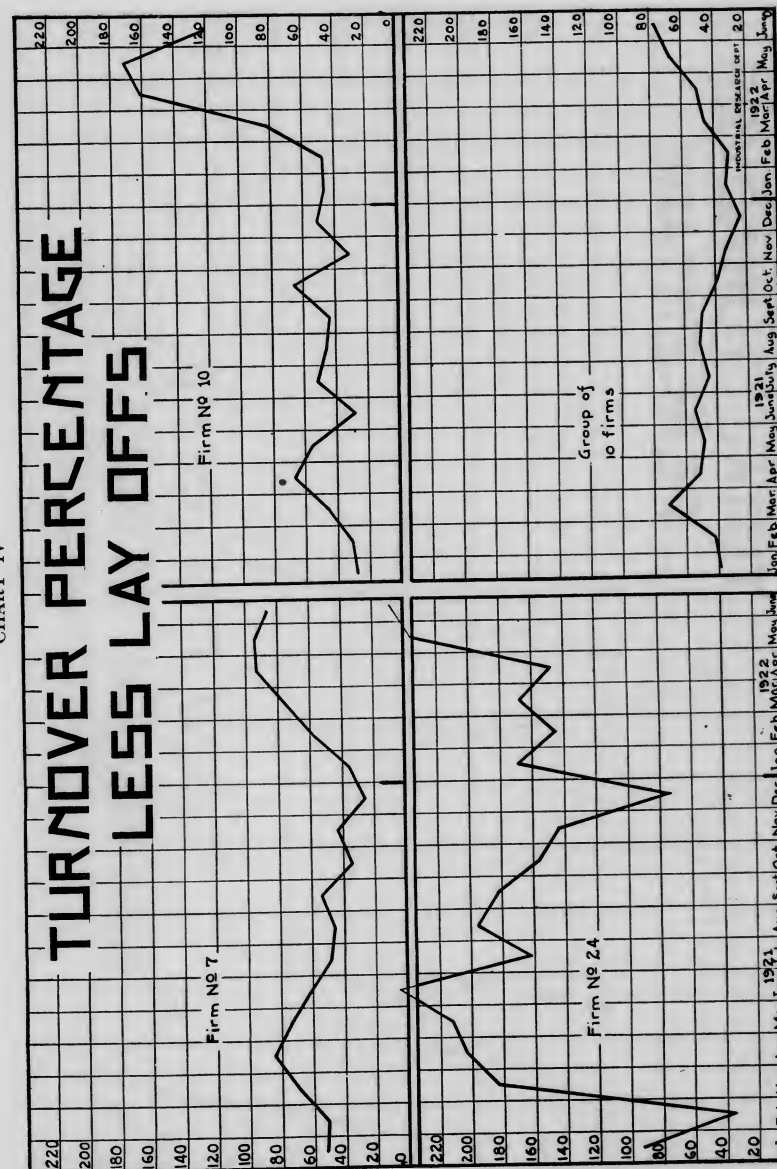


CHART V

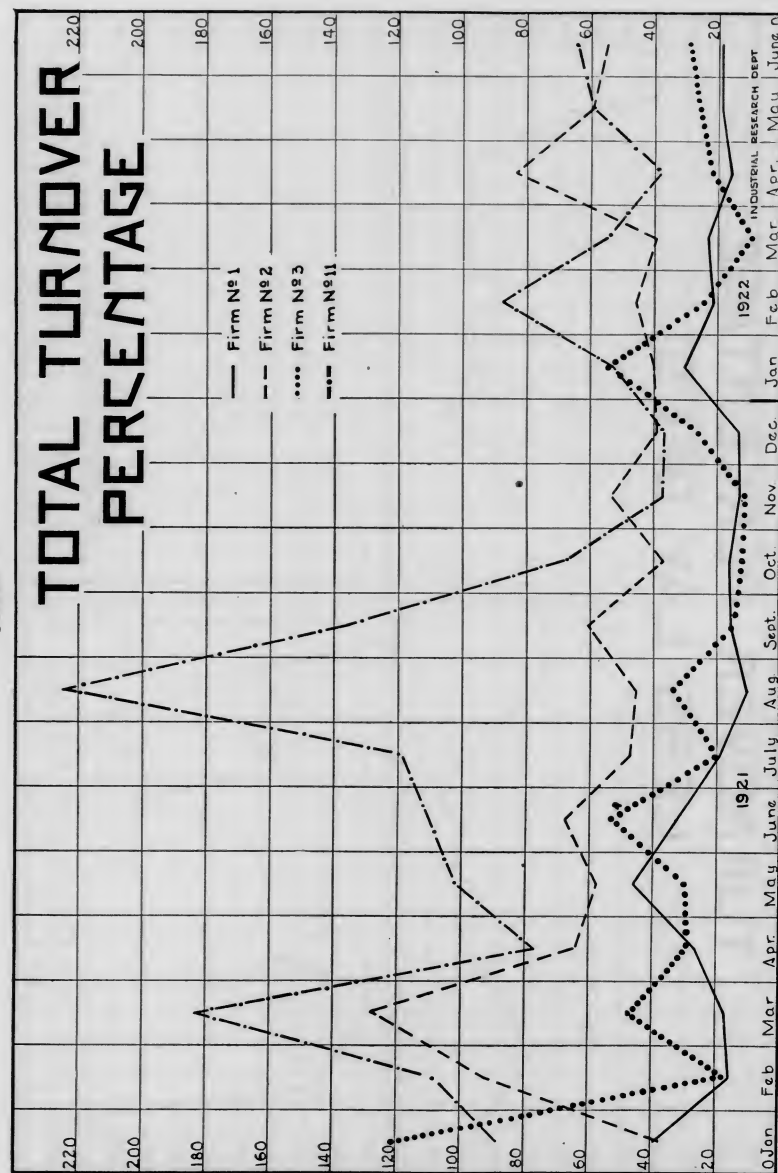


CHART VI

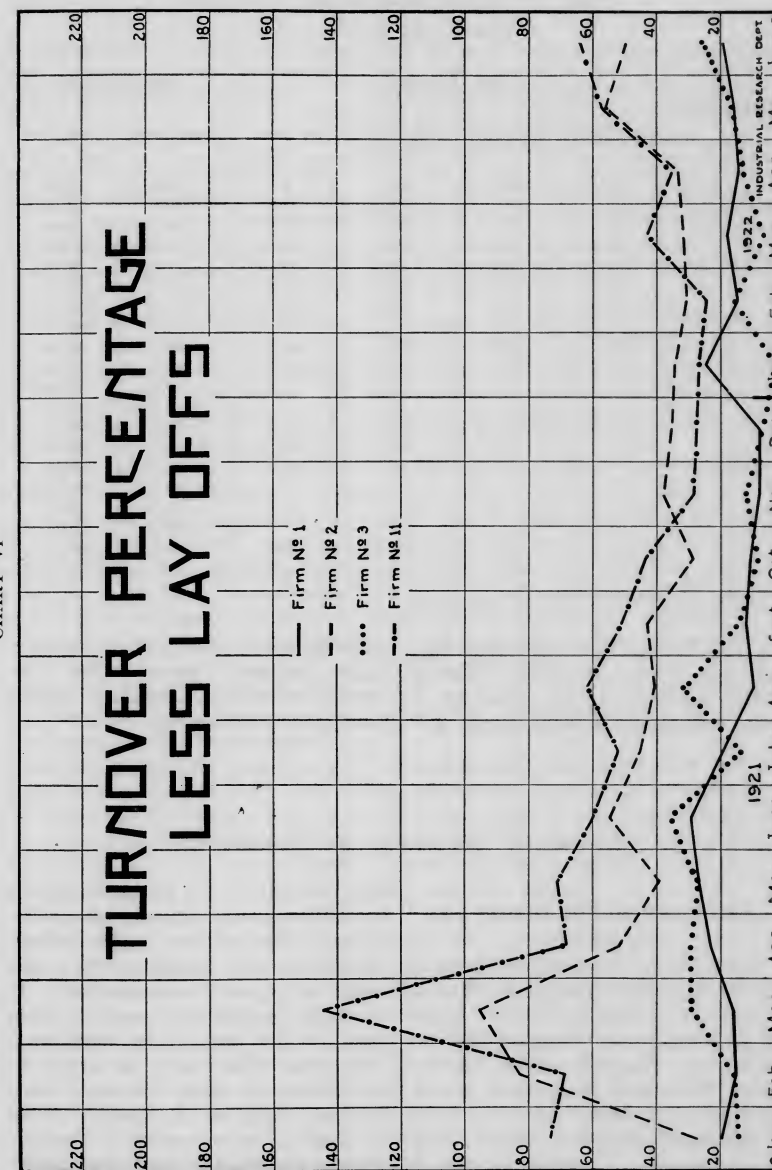


TABLE 2—TURNOVER LESS LAY OFFS—PERCENTAGES
January, 1921 to June, 1922

FIRM NUMBER	1921 QUARTERS				1922 QUARTERS	
	Jan.-March	April-June	July-Sept.	Oct.-Dec.	Jan.-March	April-June
1.....	16.8	26.6	13.4	8.3	18.9	16.3
2.....	69.7	48.6	43.0	33.9	31.8	46.3
3.....	19.8	30.8	20.0	9.8	10.9	18.2
4.....	25.6	31.8	66.8	30.2	36.6	79.2
6.....	20.4	25.9	6.5	9.4	9.1	6.45
7.....	57.1	75.5	50.3	37.0	57.8	83.4
8.....	48.4	44.0	39.6	41.2	47.0	140.0
9.....	.....	.....	.....	21.3	64.1	165.9
10.....	34.0	50.9	47.0	49.4	58.6	140.7
11.....	94.9	66.1	55.0	33.1	31.0	53.1
12.....	.....	.....	.....	.....	70.5	92.9
14.....	.....	.....	.....	.....	27.2	89.6
15.....	9.9	19.0	24.4	21.8	23.9	128.1
16.....	.....	.....	.....	120.7 ^a	88.1	121.8
17.....	.....	.....	.....	33.4	68.7	47.6
18.....	.....	.....	.....	.....	189.2	239.2
19.....	.....	.....	.....	.....	10.3	23.2
21.....	.....	.....	.....	.....	76.2	179.7
24.....	110.2	222.2	181.8	126.1	160.4	207.5

^a Figures for November and December only.

any one to say with confidence that turnover curves for firms differing widely in nature of work, character of men, and ideals of management will

tend to move synchronously over a more extended period. For the months considered, a tendency to like movement is undoubted.

III—MAIN DIVISIONS OF TURNOVER

RESIGNATIONS, DISCHARGES AND LAY OFFS

The main divisions into which turnover is commonly grouped are RESIGNATIONS, DISCHARGES and LAY OFFS. All exits made voluntarily by the employee are classified under resignations. Even with the greatest care in recording, it is likely that some items in this classification are voluntary only in appearance. A worker hearing of a general lay off may resign to avoid

being included in the group, or, having broken some rule, may anticipate a discharge. Frequently a worker resigns because he was transferred to a job which he regarded as unpleasant. It would be impossible to separate cases such as the latter from discharges. Again the family may be forced to move because other members have secured work at a distance. The resignation "to move with the family" may be the result of slack work in the area which affected home life, while

the plant from which the exit resigned has not actually been affected. All these qualifications should be considered whenever anyone stresses the voluntary character of turnover.

LAY OFFS

Since, owing to the depression situation, lay offs affected industrial morale most, that group will be considered first, even though it had not the highest coefficient in the main divisions of turnover. In the reporting of turnover it would be very desirable if some subdivision could be secured under "laid off." Lay offs due to business conditions include cancellation of orders, seasonal fluctuations, temporary work and the series of factors commonly lumped under "industrial depression." Very different is the group of specific reasons relating to manufacturing conditions, such as: changes in industrial processes, discontinuance of whole departments, breakdowns in equipment, shortage of materials and strikes and lockouts. All these are now being reported as "lay offs," "slack," or "no work," with no specific statement of reason. In time more detailed analysis under this heading should be possible. A start has been made this year. From a few firms, careful reasons were secured. No analysis is given of such detail as it is specific in only a small number of cases.

The significant lay offs were in the metal and iron working products. Textiles and clothing were fairly steady, while chemicals fluctuated without any long period of inactivity.

Firm No. 2 was highest in March, 1921 and April, 1922. The latter "lay off" was halted by the strikes in the New England textile regions, which diverted orders to this market. No. 4 had its heaviest lay offs in October, while No. 6 started to lay off

in March. Three higher lay off peaks occur in April, June and August. The year for this organization was thus characterized by lay offs at intervals of two months, until October when the industry began to revive. The lay off of firm No. 7 ranged from 16 per cent in February, the lowest month of the year, to 408 per cent in August. Five months of 1921 and one month of 1922 were above 100 per cent of turnover for lay offs alone. No. 8 and No. 10 were highest in April, No. 11 in August, and No. 15 in November. Firm No. 24 did not begin any considerable lay offs until the end of the year, when a sudden change in style affected the likelihood of the movement of finished stock on hand. Considered by themselves, the lay offs present only unrelated phenomena, useful in describing the down wave of the depression in this area, but not especially useful in interpreting turnover. It is only when the lay offs are considered in relation to resignations and discharges that the comparison becomes important.

"LAY OFFS" IN RELATION TO RESIGNATIONS AND DISCHARGES

Do men hold onto their jobs in a lay off period? Do they try to anticipate lay offs, or do they become restless and look about for other positions after a heavy lay off? Is it the best men who hold onto their jobs or is there a gradual melting away of an organization during the long drawn out downward swing of business activity? These are questions worth asking in the light of the correspondence of high peaks of resignations with high peaks of lay offs. The answer cannot be deduced from the figures. Attention would be necessary to the workers left on the roll as well as to those who departed. It may be that the likenesses here found would not

TABLE 3—RESIGNATION TURNOVER PERCENTAGE
19 Firms, January, 1921 to June, 1922

MONTH	No. 1	No. 2	No. 3	No. 4	No. 5	No. 6	No. 7	No. 8	No. 9	No. 10	No. 11	No. 12	No. 14	No. 15	No. 16	No. 17	No. 18	No. 19	No. 21	No. 24
1921																				
Jan.	18.8	23.2	14.9	20.0	22.0	8.0	39.3	26.7	...	22.1	46.8	...	...	13.2	...	...	...	...	...	87.8
Feb.	14.3	66.6	15.7	22.0	12.3	37.6	27.7	27.7	...	30.4	45.8	...	...	0.0	...	...	...	...	...	26.2
Mar.	15.5	30.6	15.3	22.0	16.4	59.3	32.5	32.5	...	45.5	132.5	...	...	3.3	...	...	...	...	...	168.2
Apr.	22.7	45.6	26.7	28.0	22.1	71.7	38.2	38.2	...	66.6	51.5	...	...	10.3	...	...	...	...	...	178.5
May	26.2	34.8	27.0	22.0	30.3	62.8	19.6	30.0	...	55.9	60.1	...	...	36.4	...	...	...	...	...	191.1
June	28.5	49.0	36.0	27.4	15.7	52.7	30.0	...	...	24.5	50.1	...	...	28.7	...	...	...	...	...	213.2
July	18.3	34.2	11.2	48.5	0.0	42.9	11.3	...	...	46.3	46.1	...	...	8.0	...	...	...	...	...	136.4
Aug.	8.3	33.3	28.7	59.9	0.0	42.1	27.8	...	...	40.7	51.1	...	...	18.5	...	...	...	...	...	159.0
Sept.	11.6	31.0	8.7	53.1	7.1	51.5	45.5	...	...	39.0	47.6	...	...	27.7	...	...	...	...	...	156.9
Oct.	9.4	21.8	8.8	33.8	14.3	31.7	47.0	...	...	44.3	41.1	...	...	38.1	...	...	...	...	...	151.4
Nov.	6.6	27.6	8.7	27.3	7.1	42.4	31.5	...	...	13.1	25.7	...	...	6.9	...	...	...	...	...	118.8
Dec.	6.8	27.6	8.7	17.1	6.9	24.9	31.9	...	...	34.3	24.5	...	...	3.7	...	...	...	...	...	50.9
1922																				
Jan.	20.3	28.3	3.0	17.6	6.9	35.1	12.4	...	...	38.3	24.7	...	...	10.9	...	...	...	...	...	153.0
Feb.	10.1	23.4	12.5	30.5	0.0	53.2	19.2	...	...	30.1	23.4	...	...	14.3	...	...	...	...	...	134.4
Mar.	14.2	27.3	6.3	39.7	19.9	70.3	58.5	...	...	55.7	40.3	...	...	28.5	...	...	...	...	...	148.5
Apr.	13.2	25.8	12.7	55.5	0.0	88.7	87.4	...	...	123.7	29.8	...	...	52.2	...	...	...	...	...	139.4
May	13.4	49.6	9.7	71.1	6.5	83.6	122.1	...	...	137.1	50.1	...	...	157.2	...	...	...	...	...	232.1
June	16.5	40.6	22.8	102.0	6.4	74.2	135.4	...	...	56.4	57.0	...	...	145.0	...	...	...	...	...	235.9

• Estimated.

occur in a more stable period. When all industries are unstable and especially when part-time is being worked, it is possible that the cause operating is really slack work which shows itself in resignations. It may be that there is a permanent connection between resignations and discharges. Occasionally there is reported a resignation because a friend or relative has been discharged. The importance of such relationships can be discovered only when data are available covering a sufficient period to make possible correlations between reasons.

The monthly turnover for Lay Offs by firms is given in Table 2 in the appendix; similar figures for Resignations are shown in Table No. 3 on page 198.

DISCHARGES

The percentage of men discharged monthly is not significant for the small

firms. The whole discharge turnover of one firm is made up of seventeen men dropped in April, whereas no more than two men were discharged in any other month in the year. Quarterly rates are, therefore, given instead of monthly comparisons. In a period of lay offs, it would be likely for the discharge rates to rise since inexperienced workers and infringement of rules of discipline would be less leniently dealt with. At the same time there is an opportunity to drop incompetent workers among the persons laid off, thus tending to lower the turnover for discharges.

The discharge rates of turnover by firms quarterly were as shown in table No. 4 below.

It will be seen that there is no uniformity among firms in the quarter in which the high rate falls. Firms No. 2, 10 and 24 have the highest discharge rates in the months when the

TABLE 4—DISCHARGE TURNOVER PERCENTAGES
January, 1921 to June, 1922

FIRM NUMBER	1921 QUARTERS				1922 QUARTERS	
	Jan.-March	April-June	July-Sept.	Oct.-Dec.	Jan.-March	April-June
1.....	0.6	0.7	1.0	0.8	4.1	2.1
2.....	11.7	5.4	10.2	8.3	5.9	7.5
3.....	4.3	0.9	3.8	1.0	1.5 ^a	3.2
4.....	3.9	5.9	13.0	4.0	6.6	11.8
6.....	8.3	3.2	4.4	0.0	0.0	2.15
7.....	12.4	11.4	4.5	1.9	4.6	5.9
8.....	19.3	14.0	10.8	4.6	16.9	25.5
9.....	...	...	...	11.5	21.0	28.0
10.....	2.0	1.7	5.0	18.9	17.2	45.5
11.....	21.2	12.1	6.8	2.6	1.7	7.0
12.....	...	...	...	...	19.7	18.5
14.....	...	...	...	...	4.1	13.2
15.....	4.4	2.4	6.1	4.6	6.0	5.9
16.....	...	...	...	32.8 ^b	27.7	46.3
17.....	...	...	...	8.4 ^b	11.3	6.5
18.....	...	...	...	...	26.3	25.4
19.....	...	...	...	...	1.1	4.0
21.....	...	...	...	...	7.7	4.0
24.....	10.7	26.7	30.5	18.2	15.3	12.1

^a February and March, 1922.^b November and December, 1921.

payroll was being increased most rapidly. It would be very desirable to be able to distinguish discharges owing to inability to learn the work or incompetence after the work is learned, from discharges due to socially undesirable qualities or to infraction of rules. While employment managers report in general terms, "unreliable," "dissatisfaction," etc., it will be impossible to separate discharges sufficiently to distinguish between disciplinary reasons, and reasons connected with training and skill.

Particular attention is called to the low discharge rate. In interpreting the table bear in mind that the computation is on an annual basis. Note that in the case of almost half the firms the annual discharge rate is below five per cent, showing in firms where selection and training are well conducted how very low the number of dismissals can be kept. Two firms in this group each employ 3,500 to 4,000 employees, others have smaller payrolls. Even a firm that is increasing its payroll is clearly out of step with others when its discharge rate soars

IV—RESIGNATIONS

Because of the importance of voluntary exits more attention has been given by the Department to securing accuracy in the reporting and classification of major reasons under resignations than to the other two main divisions. From the resignation turnover percentages given monthly in Table 3, printed above, it will be seen that the demarcation of firms into those with their highest rate of the year in the spring months, and those with the highest rate in the summer and early fall months, was a division dependent upon resignations. In the

above an annual percentage of fifteen. Of course, if discharges were the usual instead of an occasional occurrence in departments, workmen would not show the humiliation that they do when a discharge occurs. This point needs to be emphasized because of the surprise expressed by non-business audiences wherever the work of the department was discussed. In chapter VII of this part of the study Chart No. XIII (see page 219) is shown comparing the turnover of public and private employment. The closeness with which these curves approximate each other was a matter of surprise to investigators especially in view of the differences in the coefficient of turnover for resignations in the two groups. More striking is the difference in length of service of discharges. It would seem as if the one department with high turnover in public employment used discharge as a means of selection whereas in private industries, discharges in so far as one can go by the reasons assigned, were more closely related to the character of the worker.

quarterly Table No. 5, printed on page 202, the high points of the spring months, as earlier noted in the discussion of turnover less lay offs, appear far more clearly than in the monthly turnover figures of Table 3, page 198. This would be inevitable unless discharges had been high enough to outweigh the influences making for uniformity in the resignations of employees from plants.

RESIGNATIONS BY MAJOR REASONS

Analysis of resignations by major reasons shows some interesting con-

CHART VII

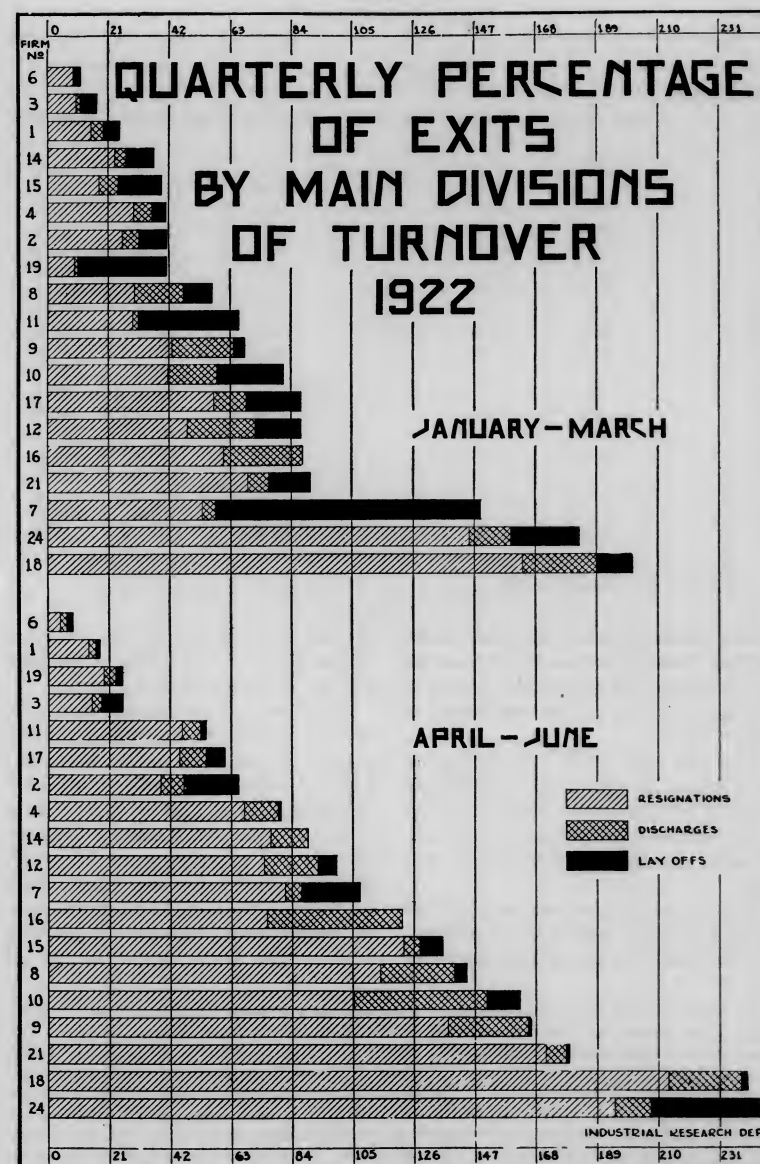


TABLE 5—RESIGNATION TURNOVER PERCENTAGES
January, 1921 to June, 1922

FIRM NUMBER	1921 QUARTERS				1922 QUARTERS	
	Jan.-March	April-June	July-Sept.	Oct.-Dec.	Jan.-March	April-June
1.....	16.2	25.9	12.4	7.5	14.8	14.2
2.....	58.0	43.2	32.8	25.6	25.9	38.8
3.....	15.5	29.9	16.2	8.8	9.4	15.0
4.....	21.7	25.9	53.8	26.2	30.0	67.4
6.....	12.1	22.7	2.1	9.4	9.1	4.3
7.....	44.7	64.1	45.8	35.1	53.2	81.5
8.....	29.1	30.0	28.8	36.6	30.1	114.5
9.....	.....	.....	.....	9.8	43.1	137.9
10.....	32.0	49.2	42.0	30.5	41.4	105.2
11.....	73.7	54.0	48.2	30.5	29.3	46.1
12.....	.....	.....	.....	.....	50.8	74.4
14.....	.....	.....	.....	.....	23.1	76.4
15.....	5.5	16.6	18.3	17.2	17.9	122.2
16.....	.....	.....	.....	87.9 ^a	60.4	75.1
17.....	.....	.....	.....	25.0 ^a	57.4	41.1
18.....	.....	.....	.....	.....	162.9	213.8
19.....	.....	.....	.....	.....	9.2	19.2
21.....	.....	.....	.....	.....	68.5	171.8
24.....	99.5	195.5	151.3	107.9	145.1	195.4

^a November and December, 1921.

trasts among firms. The nine major reasons already discussed in the section on standardization are the result of the breaking up of the coefficient of resignations.

For the year 1921, two tables are here given, grouping the percentages of exits for the whole year under the main divisions of turnover and subdividing resignations into major reasons.

Since these tables are perhaps the most important and most significant of the study, both arrangements of

the data are shown in the following tables, purely for purposes of comparison between the different groups.

As already stated, much care must be used in drawing conclusions in this period. In the first place, the study was not undertaken until the middle of the depression. There is, therefore, no data to show the relation between lay offs and resignations in the period before workers became demoralized by the uncertainty of the continuance of employment. Also it is possible that in the beginning of a lay off

Chart VII is a bar diagram of the percentage of exits by main divisions in nineteen firms. It covers the first two quarters of 1922. The shifting of all bars to the right in the second quarter of 1922 shows the increase in turnover in all plants, a shift which is accounted for by the increase in resignations, as shown in the light shaded area. The chart brings out in a striking way the change in business conditions in the past six months. The heavy black cross-hatching in the bar diagram indicates lay offs. By the second quarter of 1922, these black areas, in most firms, either disappear or are markedly shortened. Resignations thus made up for the smaller number of lay offs, and brought the total turnover well above that of the first quarter. Analysis of occupations shows that the increase in turnover in this quarter was occasioned mainly by mobility in the "laborer" group.

TABLE 6—ANNUAL TURNOVER PERCENTAGE^a
By Major Reasons: 1921—Eleven Firms

REASON	JANUARY TO DECEMBER										
	No. 1	No. 2	No. 3	No. 4	No. 6	No. 7	No. 8	No. 10	No. 11	No. 15	No. 24
Resignations (Total).....	15.5	38.9	17.7	32.7	12.6	49.1	29.3	37.3	54.7	14.2	140.2
1. Wages.....	0.03	0.3	0.0	0.6	0.5	0.7	0.2	13.2	6.6	1.4	38.9
2. Working conditions.....	0.71	4.5	1.2	6.6	0.9	1.4	2.0	2.8	4.6	6.1	29.2
3. Hours.....	0.0	0.3	0.0	0.0	0.0	0.0	0.0	2.5	1.0	0.3	0.6
4. Labor Policy.....	0.0	0.3	0.0	0.0	0.0	0.0	0.3	5.9	0.0	0.6	7.7
5. Work Elsewhere.....	5.1	6.2	6.2	11.6	8.1	8.8	14.0	3.8	22.8	3.5	17.7
6. Community and Family.....	1.6	7.2	0.0	0.2	0.0	0.2	1.6	3.8	1.8	0.0	18.9
7. Personal.....	6.1	7.7	0.0	5.2	1.8	7.6	1.7	1.8	7.9	1.4	6.2
8. Physical.....	1.9	6.8	0.2	8.5	1.3	2.8	2.8	2.8	3.8	0.9	12.8
9. Unknown.....	0.06	5.6	10.1	0.0	-0.0	30.4	6.7	0.7	6.2	0.0	8.2
Discharges.....	0.8	8.8	2.5	7.0	4.5	9.1	11.5	6.6	12.1	4.4	22.7
Lay Offs.....	5.7	12.1	15.5	23.9	48.4	86.8	54.9	96.2	44.0	22.9	20.1
Total.....	22.0	59.8	35.7	68.6	65.5	145.0	95.7	140.1	110.8	41.5	183.0

^a i. e., Percentage of the average number of total employees calculated on an annual basis.

TABLE 7—TURNOVER PERCENTAGE OF EXITS
By Major Reasons: 1921—Eleven Firms

REASON	JANUARY TO DECEMBER										
	No. 1	No. 2	No. 3	No. 4	No. 6	No. 7	No. 8	No. 10	No. 11	No. 15	No. 24
<i>Resignations (Totals)</i>	70.6	64.9	49.7	51.5	19.2	33.9	30.6	26.6	49.4	34.3	76.6
1. Wages.....	0.1	0.5	0.0	1.0	0.7	0.5	0.2	9.5	5.9	3.5	21.2
2. Working conditions.....	3.2	7.5	3.2	10.4	1.4	0.9	2.1	2.0	4.2	14.7	16.0
3. Hours.....	0.0	0.5	0.0	0.0	0.0	0.0	0.0	1.8	0.9	0.7	0.3
4. Labor Policy.....	0.0	0.5	0.0	0.0	0.0	0.0	0.3	4.2	0.0	1.4	4.2
5. Work Elsewhere.....	23.3	10.4	17.4	18.2	12.3	6.1	14.6	2.7	20.6	8.4	9.7
6. Community and Family.....	7.3	12.0	0.0	0.3	0.0	0.1	1.7	2.7	1.7	0.0	10.3
7. Personal.....	28.0	12.8	0.0	8.2	2.7	5.3	1.8	1.2	7.1	3.5	3.4
8. Physical.....	8.5	11.4	0.7	13.4	2.1	2.9	2.9	2.0	3.4	2.1	7.0
9. Unknown.....	0.3	9.3	28.4	0.0	0.0	21.0	7.0	0.5	5.6	0.0	4.5
<i>Discharges</i>	3.6	14.8	7.1	11.0	6.8	6.3	12.0	4.7	10.9	10.5	12.4
<i>Lay Offs</i>	25.7	20.3	43.2	37.5	74.0	59.8	57.4	68.7	39.7	55.2	11.0
Total.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

period before wages have been lowered materially positions are more worth holding and, therefore, workers are not as ready to hunt about for other work as in a later period when there is little information concerning the rate of earning elsewhere. Besides, the number on the payroll fails to take account of the fact that many firms are working part-time and employees resign from a job where the earnings are really low and irregular. Much then that is considered under the heading of voluntary resignations is really due to shortage of work and is different, in degree only, from the actual "lay offs" for slackness of work. This will appear in the following treatment dealing with turnover percentage by major reasons.

By referring to Table 5, in the percentage of major reasons, it will be seen that the actual turnover of firms varies from 22.0 per cent in the case of firm No. 1, to 183 per cent in the case of firm No. 24. In the second arrangement of this data in Table 6, these percentages are considered as 100 in order to bring out more clearly the proportion of the percentage that falls under each detail.

Under "Wages" are grouped all cases of exits due to dissatisfaction with wages or with earnings, complaints concerning uncertainty of the amount to be paid, as well as disapproval of the method of computing pay or of actually paying off. Looking at the table, it will be seen that firms No. 10 and No. 24 have about one-fifth of their exits in the item "Wages." Despite the likeness in percentage, the wage problem is very different at the two places. The one is a piece work industry, where operations are dependent upon the sequence of preceding operations. In the language of the shop, workers leave because they "Can not make out." This may mean that

the employee has not stayed long enough to get up an adequate rate of piecework speed, or it may mean that there are delays in the routing of work. Whenever such delay continues over a period long enough to affect the total weekly earnings, the turnover is affected, despite the fact that the plant is paying a rate well above the going rate. At the other concern the problem is more definitely related to the handling of small orders and the general market rate. In this period of manufacture there has been much working to contract on small orders, which had to be run through to keep equipment busy. This variety of work makes delays.

The heading summarized "Working Conditions" comprises all cases of dissatisfaction with the nature of the job or with conditions of work. This would include not only cases of wet or heavy or dusty or dangerous work, but also cases concerning eye strain, machines unadjusted in height and unpleasant odors or poisonous fumes. This will account for the two firms, which show high turnover for working conditions, despite a very slight complaint about wages.

There is little complaint about hours at any of the plants. Occasionally a resignation occurs because of night work, more rarely because of overtime.

Under "Labor Policy" are grouped, not only strikes and unadjusted grievances, but also dislike of the foreman and inability to see an opportunity for advancement. The heading used for brevity is somewhat misleading since all exits for causes related to industrial organization and management are classed in this way. It is not easy to separate the vague objections to working conditions from those due to refusal of transfer or to inability of the firm to plan work in such a way that the preferences and attainments of certain

employees will be taken account of. Even with all these difficulties of classification it is encouraging to see that the percentages under working conditions do run parallel with the type of manufacture. Firms No. 4 and No. 15 were earlier grouped as having some turnover factors different from others in the group. These are plants dealing with chemicals. This involves gas fumes and more or less sloppy work. In firm No. 24 there is one humid department though it can not be said that turnover under this item is determined by this department. Many complaints under "Labor Policy" are really questions of sequence of operations and are, therefore, related to earnings.

As already stated, "Work Elsewhere" is concerned with the relation of the employee to other plants. It includes exits from the plants wherever a definite statement is made that the employee goes to another firm for better pay, or advancement, or is going into business for himself.¹ Among the younger workers, are found those leaving to go to school, to learn a trade or to attend classes of any sort.

"Work Elsewhere" covers up pride, reticence and many excuses. It will take a five year reporting of exits to discover how much of the reasons that fall under this heading really refer to the scale of promotion and how many are related to dissatisfaction with factory work or with surroundings. There is certain to be considerable relation between items considered earlier as dissatisfaction with wages, and perhaps some relation between "Working Conditions," and this group. Since there is no certainty concerning the demarcation, the five items already considered under major

¹ Fifty-one employees left in the later months of 1921 specifically "to go into business for themselves."

reasons are grouped in the summary as reasons connected with the job, in distinction from social and physical reasons, now to be considered. Some items under "Work Elsewhere" show a desire of employees to attain higher standing in the trade. To illustrate this, detailed reasons under this item are given for a hosiery industry making a non-fashioned product. Whatever methods of personnel employed at this concern, the fact will remain that full-fashioned hosiery stands high in the estimation of the buyer and of the trade; some of this estimation attaches to operation. It is inevitable that in a slack period some full-fashioned workers take non-fashioned work. Their return to their own trade accounts for some of the items listed below:

REASON FOR LEAVING — 1921		<i>Number of Exits</i>
Work elsewhere		
Job elsewhere	.....	5
Better position	.....	19
Former position	.....	53
Sent for by former employer	.....	1
Back to full fashioned	.....	16
To full fashioned looping	.....	1
To learn full fashioned trade	.....	1
To Bell Telephone Co.	.....	1
To take up nursing	.....	1
To enter convent	.....	1
Returned to school	.....	9
Going into business	.....	1
To be governess	.....	1
Total	.....	111

It will be noticed that over 16 per cent (eighteen persons) of the employees in this classification left to enter the full-fashioned trade. It is impossible to say how many more in the items "former positions" and "better positions" were actually going to full fashioned plants. This reason for shifting is of course well understood in the trade and does not prevent the hiring of such experienced workers when a rush is felt.

CHART VIII

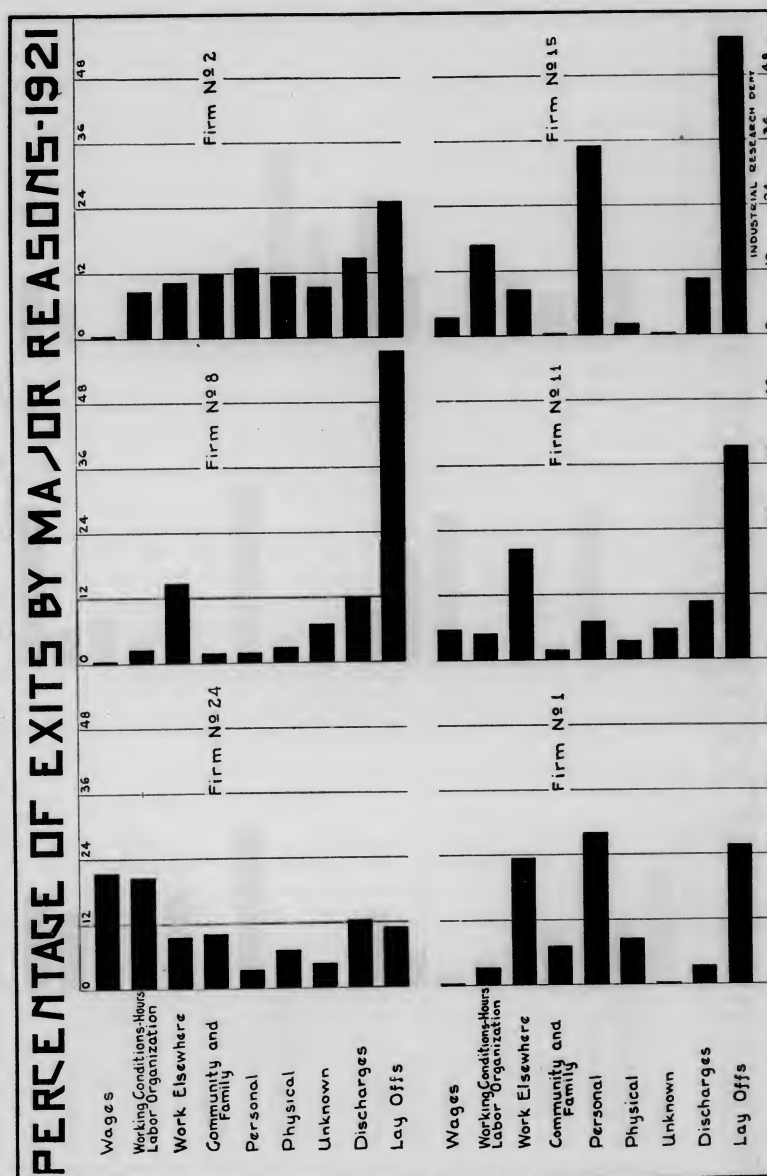
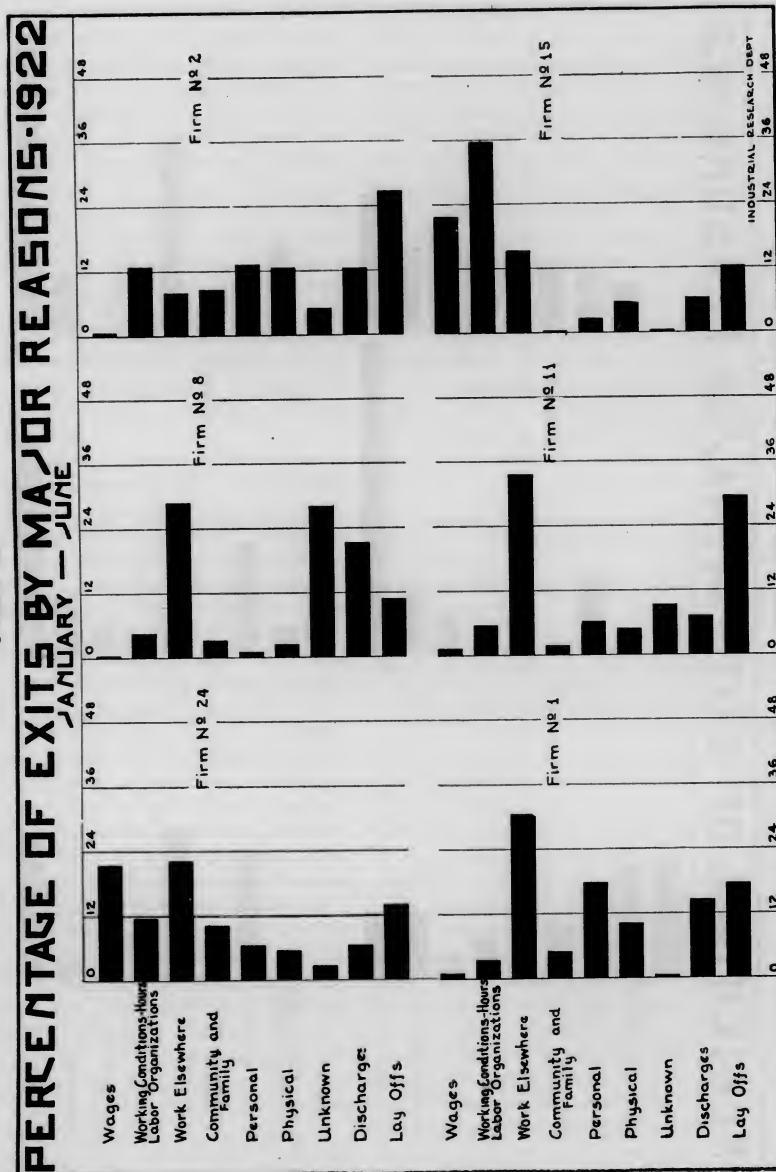


CHART IX



Under "Community and Family" reasons are such items as: sickness in family, needed at home, housing conditions, lack of acquaintances, and distance of the factory from the worker's home. These are reasons which in special cases may be pressing enough to demand attention by the firm, but which in the long run really are matters of community interest. This item is highest in firms No. 2 and No. 24, which are firms with the largest proportion of women and especially married women, where the item "sickness in family" and "needed at home" bulk large.

Personal reasons are primarily marriage. A few come under wanderlust; "leaving the city" accounts for the personal items at No. 11, where no women are employed and the 7.9 per cent under personal reasons is wholly made up of 224 men who left the city. Occasionally leave of absence, to accompany a friend, or to visit relatives appears under personal items. It will

readily be seen that in such a case men are merely anticipating a lay off, and the voluntary or personal character of their departure should not be overemphasized.

Under "physical reasons" it has been impossible to separate ill-health due to factory work from ill-health due to other causes. In fact, while the reporting has been thoroughly detailed, there are no sub-classifications, which can be studied under this heading. For two reasons, death has been included in this group, though it technically may not be considered a resignation. It was amusing to find two of the plants classifying death under "dissatisfied." In the first place, the percentage of exits due to deaths in most organizations is very small. In the second place pure accident determines whether the person will be listed by the company as ill or dead. If by chance death occurs before the weekly clearing of the payroll, the death will be reported on the

TABLE 8—GROUP OF ELEVEN FIRMS TOTAL TURNOVER OF EXITS*
Major Reasons for Leaving

FIRM No.	1921 JANUARY TO DECEMBER			1922 JANUARY TO JUNE		
	Total Turnover Percentage	Job	Social Life	Total Turnover Percentage	Job	Social Life
1.....	22.0	5.84	9.6	21.3	7.5	6.9
2.....	59.8	11.6	21.7	53.4	11.3	18.4
3.....	35.7	7.4	.2	18.5	5.3	4.7
4.....	63.6	18.8	13.9	63.9	34.2	17.1
6.....	65.5	9.5	3.1	99.9	11.1	55.5
7.....	145.0	10.9	7.8	130.0	20.0	6.4
8.....	95.7	16.5	6.1	105.8	35.5	6.9
10.....	140.1	28.2	8.4	123.8	39.5	26.5
11.....	110.8	35.0	13.5	59.7	24.3	7.8
15.....	41.5	11.9	2.3	92.2	66.9	8.1
24.....	183.0	94.1	37.9	209.6	115.3	46.7

* Resignations have been broken up into reasons connected with the job and reasons connected with social life. The unknown reasons should be added in order to secure the total resignations given in Table 6.

company's record, whereas if death occurs several days later, the initial cause of leaving, or sickness, will be given. It will be seen that physical reasons range from 2.1 per cent in firms No. 6, No. 10 and No. 15 to 13.4 in firm No. 4. Taking the table with percentages on a 100 per cent basis and grouping resignations into reasons connected with the job and reasons connected with health and social life, one finds the percentages in Table 10.

Charts VIII and IX show major reasons for turnover for the year 1921 and 1922. The contrast between the six firms is very striking. Last year firm No. 2 had practically an equal distribution of exits among all causes with the exception of the wage division,

where few complaints fall, a condition quite different from that of No. 24. A great proportion of the employees of firm No. 1 leave to take "work elsewhere," a factor which is important also in the turnover of No. 3 and No. 8.

In the first six months of 1922 firm No. 2 showed a trend similar to that of 1921, the subdivisions were practically even with the exception of the almost negligible wage group and a decrease in the "unknown." Firm No. 24 suffered from irregularities in wages and lost many workers because of opportunities to work elsewhere. The latter cause affected No. 11 heavily while working conditions in No. 15 caused the loss of a large proportion of employees.

V—LENGTH OF SERVICE

The distribution of the length of service of exits gives some of the most important facts in connection with this study. The following tables show not only the percentage of total exits in each length of service group but also the distribution of that percentage among "resignations," "discharges" and "lay offs."

As already stated firms No. 1, No. 3 and No. 6 were not hiring employees and, therefore, had no workers in short service groups. Firm No. 24 quadrupled its employees during the year. In considering No. 24 it must be borne in mind that the number of employees on the payroll were more than doubled between January and March, 1921. It is evident that in such a period of rapid rise, any firm experiences its greatest turnover among new employees who do not stay long enough to become acquainted with the plant or the processes. The stream of entrances and exits during the first week

of service makes a difficult problem, in rapidly increasing a force. This is particularly likely to be true where a plant is surrounded, as is this one, by plants of similar type competing both in matters of labor supply and wages. Even with this growth it is clear that to have 78 per cent of a firm's exits with a duration of continuous service of less than three months, is a costly item that would repay expenditure for training and careful follow-up. Firm No. 8 retains employees during the early months, but loses an abnormally high number in the second and third months of service.

The most salient single fact in the comparison of length of service by main reasons is the recurrence of high resignation percentages in the same length of service period in which are found high lay offs. In the case of No. 1 and No. 10 this occurs in the "over 2 years group;" for Nos. 2, 8 and 24 in the "one and under three months" service

group. In the case of firms No. 8 and No. 24 exits are negligible among employees who have served a year or more. The even distribution of resignations among all service groups in firm No. 2 is unusual and needs attention in the case of employees who have served six months or more.

The accompanying chart contrasts the experiences of firms. It will be seen that there is more variation in respect to the experiences of companies in this comparison than in any other made in this study.

It would be easy to misinterpret

length of service figures by failing to take into account the continuity of employment among employees who remain at work. Besides after a long period when no new employees are being hired the exits are certain to fall in the higher service groups. In any company of long standing with fairly stable employment, exits will have a longer record of service than in a new or rapidly growing organization.

The cumulative percentage curves in the upper section of the page show these differences in the distance of their spread across the page. Firm No. 1

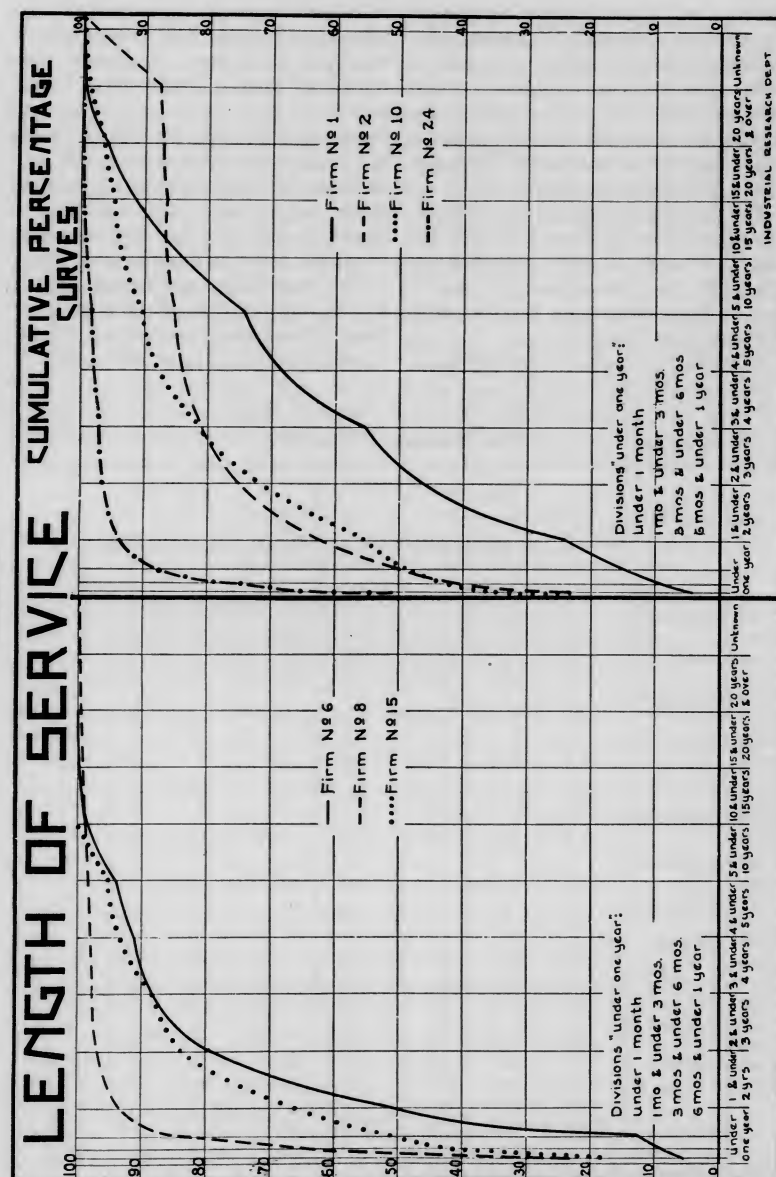
TABLE 9—LENGTH OF SERVICE OF EXITS*
1921: Percentage of Total Exits

LENGTH OF SERVICE	FIRM NO. 1				FIRM NO. 2			
	Tot. Ex.	Resig.	Dischg.	Lay Off	Tot. Ex.	Resig.	Dischg.	Lay Off
Under 1 week.....	0.4	0.3	0.0	0.1	8.9	7.5	0.8	0.6
1 week and under 1 month.....	3.6	2.3	0.5	0.8	14.1	8.3	2.7	3.1
1 month and under 3 months.....	5.7	3.4	0.9	1.4	17.4	9.3	3.4	4.7
3 months and under 6 months.....	5.2	2.7	0.8	1.7	9.7	6.8	1.3	1.6
6 months and under 1 year.....	9.4	4.9	0.2	4.3	11.9	8.8	1.8	1.3
1 year and under 2 years.....	22.0	14.1	0.4	7.5	13.2	8.9	2.7	1.6
2 years and under 3 years.....	9.2	6.6	0.0	2.6	5.9	4.1	0.7	1.1
3 years and under 4 years.....	13.3	9.3	0.1	3.9	2.9	2.2	0.4	0.3
4 years and under 5 years.....	5.6	4.3	0.1	1.2	1.3	0.7	0.3	0.3
5 years and under 10 years.....	10.1	8.8	0.1	1.2	1.1	0.9	0.1	0.1
10 years and under 15 years.....	6.8	5.8	0.2	0.8	0.4	0.4	0.0	0.0
15 years and under 20 years.....	4.8	4.5	0.0	0.3	0.5	0.3	0.0	0.2
20 years and over ..	3.7	3.5	0.1	0.1	0.5	0.2	0.0	0.3
Unknown.....	0.2	0.2	0.0	0.0	12.2	6.5	0.6	5.1
Total.....	100.0	70.7	3.4	25.9	100.0	64.9	14.8	20.3

* Note concerning all length of service charts.

These charts were drawn from frequency tables without change for cumulative readings. Read from upper limit, i.e., percentage of employees leaving with length of service under two years, under three years, etc.

CHART X



has few exits in early months.¹ The steepest part of the curve is that of No. 24 where 94 per cent of the exits have been with the company less than one year. 57.1 per cent of the employees who resigned at firm No. 1 during 1921 had been with the company one year while 43 per cent of these had been there over two years. Among the lay offs, 22.4 per cent had a year or over of continuous service. This means that the company has a very long length of service group among all its employees as well as a very stable force.

Chart XI gives a comparison of length of service by reason for leaving and shows that the employees who

leave for "work elsewhere" have a longer length of service than employees who leave because of wages or working conditions. This would indicate need for attention to opportunities for advancement, since the employees have several years of service in companies before they leave to go elsewhere.

Combined figures for length of service for seven firms is shown in Chart XII. It will be seen that 71 per cent of employees leave during the first year. The employees discharged have the shortest term of service, next is the lay off group. Firms are thus losing under resignations, the most experienced employees.

TABLE 10—LENGTH OF SERVICE OF EXITS
1921: Percentage of Total Exits

LENGTH OF SERVICE	FIRM NO. 6				FIRM NO. 8			
	Tot. Ex.	Resig.	Dischg.	Lay Off	Tot. Ex.	Resig.	Dischg.	Lay Off
Under 1 week.....	0.0	0.0	0.0	0.0	4.4	2.4	1.9	0.1
1 week and under 1 month.....	5.5	0.7	1.4	3.4	18.8	7.1	4.9	6.8
1 month and under 3 months.....	3.4	2.7	0.0	0.7	38.9	10.1	3.0	25.8
3 months and under 6 months.....	4.1	0.0	0.7	3.4	20.1	4.4	1.1	14.6
6 months and under 1 year.....	37.7	6.2	2.0	29.5	11.4	2.8	0.6	8.0
1 year and under 2 years.....	28.1	6.8	0.7	20.6	3.2	1.5	0.4	1.3
2 years and under 3 years.....	8.9	1.4	0.7	6.8	1.0	0.8	0.1	0.1
3 years and under 4 years.....	3.4	0.0	0.7	2.7	0.3	0.0	0.0	0.3
4 years and under 5 years.....	2.7	0.0	0.7	2.0	0.3	0.2	0.0	0.1
5 years and under 10 years.....	4.8	0.7	0.0	4.1	0.6	0.5	0.0	0.1
10 years and under 15 years.....	0.7	0.0	0.0	0.7	0.1	0.1	0.0	0.0
15 years and under 20 years.....	0.7	0.7	0.0	0.0	0.4	0.4	0.0	0.0
20 years and over.....	0.0	0.0	0.0	0.0	0.1	0.1	0.0	0.0
Unknown.....	0.0	0.0	0.0	0.0	0.4	0.3	0.0	0.1
Total.....	100.0	19.2	6.9	73.9	100.0	30.7	12.0	57.3

¹ Disregard sweep of curve. Read curve of Firm No. 1 according to figures published in Table 9.

TABLE 11—LENGTH OF SERVICE OF EXITS
1921: Percentage of Total Exits

LENGTH OF SERVICE	FIRM No. 10				FIRM No. 15			
	Tot. Ex.	Resig.	Dischg.	Lay Off	Tot. Ex.	Resig.	Dischg.	Lay Off
Under 1 week.....	2.2	2.2	0.0	0.0	7.7	6.3	1.4	0.0
1 week and under 1 month.....	20.9	11.0	8.8	1.1	10.5	5.6	0.7	4.2
1 month and under 3 months.....	19.8	11.0	6.6	2.2	23.0	4.2	1.4	17.4
3 months and under 6 months.....	6.6	3.3	1.1	2.2	8.4	1.4	1.4	5.6
6 months and under 1 year.....	5.5	4.4	0.0	1.1	15.4	3.5	2.8	9.1
1 year and under 2 years.....	16.5	12.1	0.0	4.4	18.2	7.7	0.7	9.8
2 years and under 3 years.....	9.8	4.4	0.0	5.4	4.9	1.4	0.0	3.5
3 years and under 4 years.....	6.6	2.2	1.1	3.3	5.6	2.1	0.7	2.8
4 years and under 5 years.....	2.2	1.1	0.0	1.1	1.4	0.7	0.0	0.7
5 years and under 10 years.....	3.3	2.2	0.0	1.1	4.9	1.4	1.4	2.1
10 years and under 15 years.....	1.1	0.0	1.1	0.0	0.0	0.0	0.0	0.0
15 years and under 20 years.....	2.2	0.0	0.0	2.2	0.0	0.0	0.0	0.0
20 years and over.....	2.2	1.1	0.0	1.1	0.0	0.0	0.0	0.0
Unknown.....	1.1	1.1	0.0	0.0	0.0	0.0	0.0	0.0
Total.....	100.0	56.1	18.7	25.2	100.0	34.3	10.5	55.2

TABLE 12—LENGTH OF SERVICE OF EXITS
1921: Percentage of Total Exits

LENGTH OF SERVICE	FIRM No. 24			
	Total Exit	Resignation	Discharge	Lay Off
Under 1 week.....	22.6	20.7	1.7	0.2
1 week and under 1 month.....	28.3	22.5	3.6	2.2
1 month and under 3 months.....	25.2	17.6	3.6	4.0
3 months and under 6 months.....	12.2	7.8	1.9	2.5
6 months and under 1 year.....	5.6	3.5	0.5	1.6
1 year and under 2 years.....	2.6	1.7	0.5	0.4
2 years and under 3 years.....	0.7	0.6	0.1	0.0
3 years and under 4 years.....	0.6	0.4	0.2	0.0
4 years and under 5 years.....	0.5	0.5	0.0	0.0
5 years and under 10 years.....	1.2	1.1	0.1	0.0
10 years and under 15 years.....	0.4	0.2	0.1	0.1
15 years and under 20 years.....	0.0	0.0	0.0	0.0
20 years and over.....	0.1	0.0	0.1	0.0
Unknown.....	0.0	0.0	0.0	0.0
Total.....	100.0	76.6	12.4	11.0

CHART XI

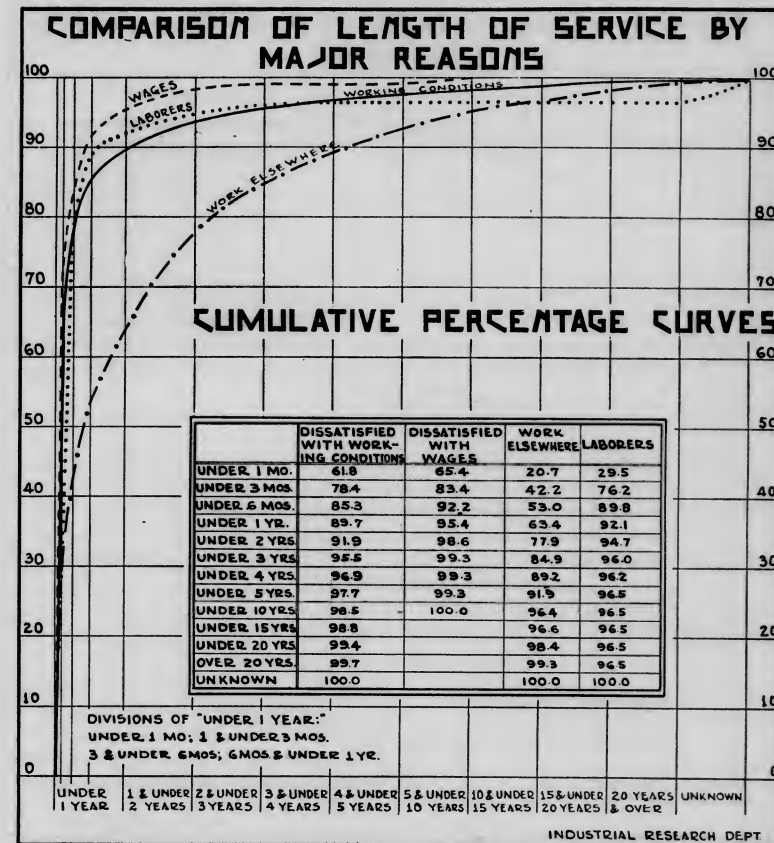
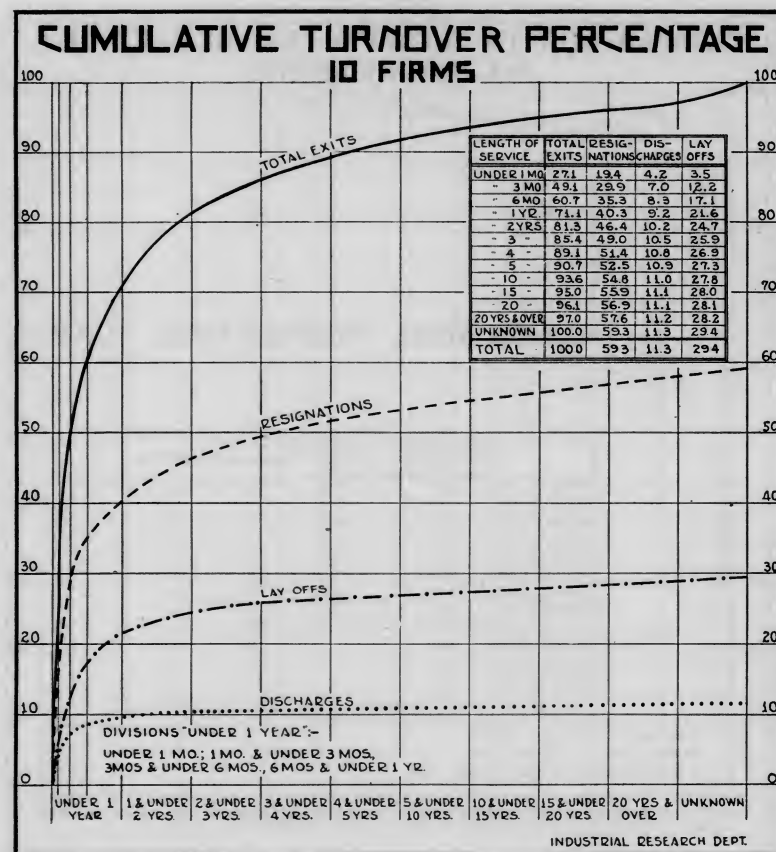


CHART XII



VI—SUMMARY MONTHLY COMPARISONS FOR TEN FIRMS JANUARY, 1921 TO JUNE, 1922

Table 13 on the adjoining page shows the monthly fluctuation in employment and reasons for leaving for a combined group of ten firms. No weighting was done in grouping these firms since selection was made of medium sized concerns. It is evident that the net result of the year 1921 was a decrease in total payroll of 8 per cent, a decrease which is steadily being made up by the increases of April, May and June.

The growth in payroll is also being reflected in the turnover due to resignations in recent months. Discharges and lay offs have decreased while the turnover due to resignations has gradually increased from month to month during 1922. Chart XIII in the chapter following shows the relation

between this group and the combined turnover in the state departments. In recent months the turnover due to resignations has been increasing rapidly. This increase is typical of all plants. Analysis by occupations shows that instability among employees classed as unskilled laborers has been the most important factor in the increase. One may explain the turnover of laborers by adjustment of wage rates as well as by activity in the building trades.

Little emphasis has been placed elsewhere in this account upon group figures since the firms reporting in 1921 represented too few employees to make an index valuable. A Labor Turnover index is now possible by the use of data available in the area.

VII—MOBILITY IN PUBLIC AND PRIVATE EMPLOYMENT

The group of private industries coöperating in this study represents a wider distribution in kinds of employment than is usually considered together. Textiles, metal trades, chemicals, paper, public utility, retail store, and one hotel are included in the group reporting. Even with the inclusion of some continuous industries, intensive study of an area would be lacking without some attention to public employment. With the coöperation of Mr. Albert Smith Faught, it has been possible to secure the turnover for the departments of the State of Pennsylvania as well as for the classified service of the City of Philadelphia. Since the latter are not yet ready for publication a comparison is here made of the turnover of ten private industries, see Chart No. XIII,

representing roughly thirteen thousand employees and 24 Departments of the State of Pennsylvania, comprising 4,041 employees.

The following table gives the yearly turnover rates of the various public departments:

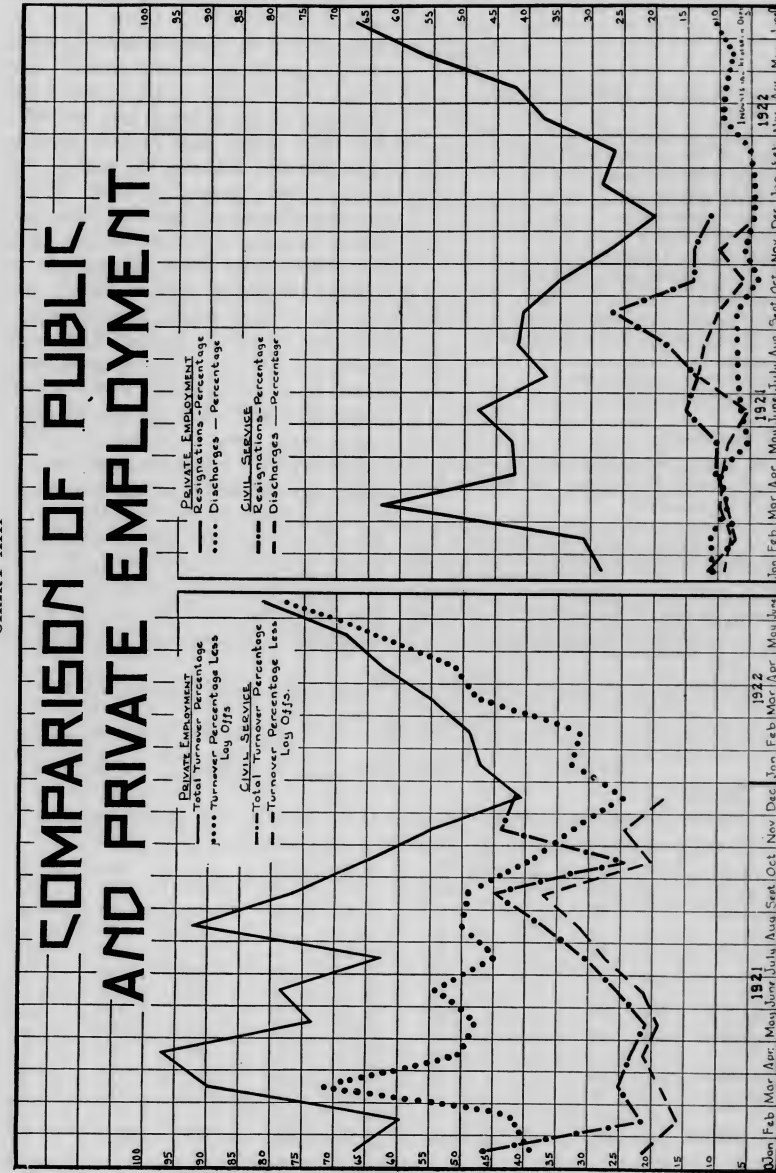
STATE OF PENNSYLVANIA (No Civil Service Law)

	Yearly Turnover Rate
State Police	68.6
State Highway	57.4
Agriculture	18.3
Attorney General's Dept.	16.7
Labor and Industry	15.8
Legislative Reference Bureau ..	15.4
Forestry Department	13.9
Water Supply Commission	13.3
Public Grounds and Buildings ..	12.8
Public Instruction	12.4
Internal Affairs (separately elected) ..	11.0

TABLE 13—TOTAL PAYROLL, ABSOLUTE FIGURES AND TURNOVER PERCENTAGES OF MAIN DIVISIONS OF EXITS
Ten Firms—From January, 1921 to June, 1922

MONTH	PAYROLL	TOTAL EXITS		EXITS LESS LAY OFFS		RESIGNATIONS		DISCHARGES		LAY OFFS	
		Abs. Nos.	T. O. %	Abs. Nos.	T. O. %	Abs. Nos.	T. O. %	Abs. Nos.	T. O. %		
1921											
January	13,212	732	66.5	429	39.0	311	28.3	118	10.7	303	27.5
February	13,523	671	59.5	473	42.0	351	31.2	122	10.8	198	17.5
March	13,275	992	89.7	789	71.3	695	62.8	94	8.5	203	18.4
April	13,381	1,080	96.9	577	51.8	467	41.9	110	9.9	503	45.1
May	13,175	807	73.5	525	47.8	467	42.5	58	5.3	282	25.7
June	12,918	845	78.5	585	54.3	516	47.9	69	6.4	260	24.2
July	12,830	674	63.0	481	45.0	400	37.4	81	7.6	193	18.0
August	12,671	966	91.5	531	50.3	439	41.6	92	8.7	435	41.2
September	12,342	786	76.4	507	49.3	419	40.7	88	8.6	279	27.1
October	12,346	689	65.0	406	39.5	363	35.3	43	4.2	263	25.5
November	12,292	562	54.9	337	32.9	278	27.1	59	5.8	225	22.0
December	12,135	416	41.1	250	24.7	204	20.2	46	4.5	166	16.4
1922											
January	11,806	465	47.3	326	33.1	283	28.7	43	4.4	139	14.2
February	11,789	483	49.2	310	31.6	261	26.6	49	5.0	173	17.6
March	11,868	540	54.6	465	47.0	372	37.6	93	9.4	75	7.6
April	12,139	633	62.6	518	51.2	425	42.0	93	9.2	115	11.4
May	12,409	758	73.3	709	68.6	621	60.1	88	8.5	49	4.7
June	12,663	863	81.8	820	77.7	709	67.2	111	10.5	43	4.1

CHART XIII



STATE OF PENNSYLVANIA—Continued
(No Civil Service Law)

	Yearly Turnover Rate
State Workmen's Insurance Department.....	10.8
Censors of Motion Pictures.....	7.7
Public Welfare Department.....	6.7
Insurance Department.....	6.6
Fisheries Department.....	5.9
Mines Department.....	5.9
Game Commission.....	5.7
Public Service Commission.....	5.6
Treasury Department (separately elected).....	5.0
Adjutant General's Department.....	4.9
Public Printing and Binding Department.....	4.2
State Library and Museum.....	2.0
Banking Department.....	1.8
All Departments.....	32.3

24 Executive Agencies (all major agencies except Health Department and Auditor General's Department.)

It is worth while to compare the relation between turnover in public and private employment, although many of these departments are small and data cover a limited period.

Chart XIII on the previous page and Table 14 which follow give an opportunity to compare state agencies with a group of private firms. The lower half of the chart shows total turnover and turnover less lay offs, for both public and private groups. The distance between the curves will in each case represent lay offs. It will be seen that the chances of being laid off in private industries during 1921 was about four times as great as in public industries except during the months of November, December and January when the probabilities were more nearly alike. The greatest contrast is in resignations under which more than four times the rate of shifting occurs than is found in public employment. When one considers the differences in mobility in the two groups it is surprising to find that the curves for rate of discharge wind around each other, with the curve for public employment above the private group for the entire last half of the year 1921. This high discharge rate is explained

TABLE 14—DEPARTMENTS OF THE STATE OF PENNSYLVANIA LABOR TURNOVER REPORT ^a
January to December 1921

MONTH	RESIGNATIONS ^b		DISCHARGES		LAY OFFS		TOTAL	
	Number	T. O. %	Number	T. O. %	Number	T. O. %	Number	T. O. %
January.....	41	12.2	31	9.2	84	24.9	156	46.3
February.....	28	8.3	26	7.7	22	6.5	76	22.5
March.....	30	8.9	33	9.8	22	6.5	85	25.2
April.....	40	11.9	32	9.5	7	2.1	79	23.5
May.....	36	10.7	29	8.6	6	1.8	71	21.1
June.....	53	15.7	19	5.6	14	4.2	86	25.5
July.....	46	13.7	45	13.4	12	3.5	103	30.6
August.....	64	19.0	42	12.5	20	5.9	126	37.4
September.....	91	27.0	35	10.4	25	7.4	151	44.8
October.....	47	14.0	22	6.5	12	3.6	81	24.1
November.....	49	14.6	34	10.1	65	19.3	148	44.0
December.....	46	13.7	15	4.5	83	24.6	144	42.8
Total.....	571	14.1	363	9.0	372	9.2	1306	32.3

^a No civil service law.

^b Including deaths, 26 in number.

TABLE 15—PENNSYLVANIA STATE HIGHWAY AND STATE POLICE
1921: Labor Turnover Percentage

MONTH	STATE HIGHWAY				STATE POLICE			
	Resignation	Discharge	Lay Off	Total	Resignation	Discharge	Lay Off	Total
January.....	22.8	14.0	71.1	107.9	15.6	40.5	0.0	56.1
February.....	10.5	3.5	16.7	30.7	12.5	65.4	3.1	81.0
March.....	13.2	7.0	19.3	39.5	9.3	68.6	0.0	77.9
April.....	12.3	6.2	2.6	21.1	18.7	71.7	3.1	93.5
May.....	18.4	7.9	4.4	30.7	6.3	62.3	0.0	68.6
June.....	32.5	4.4	3.5	40.4	6.3	37.4	3.1	46.8
July.....	29.0	12.3	5.2	46.5	15.6	84.1	0.0	99.7
August.....	44.8	12.3	2.6	59.7	6.3	84.1	3.1	93.5
September.....	56.2	14.9	11.4	82.5	9.3	56.1	0.0	65.4
October.....	23.7	7.9	7.9	39.5	12.5	40.5	3.1	56.1
November.....	28.1	15.8	53.5	97.4	9.3	37.4	0.0	46.7
December.....	20.2	2.6	70.2	93.0	0.0	37.4	0.0	37.4
Total.....	25.9	9.1	22.4	57.4	10.2	57.1	1.3	68.6

when analysis is made of the two state departments, with high turnover rates, i.e. State Police and State Highway. If the former the discharge rate ranges from 37.4 per cent to 84.1 per cent in the months of July and August. The State Highway Department shows an exactly opposite tendency. Exits are due mainly to lay offs which were especially heavy at the end of the year. This department, "during 1921, was

being reduced in numbers because of the gradual exhaustion of revenue from an issue of highway bonds."¹

In order to avoid looking too narrowly at the figures for the turnover of public employment, for which few other comparisons are in print, computations were made to contrast the turnover in the largest state department with similar departments elsewhere.

	PHILADELPHIA POLICE Turnover Per Cent	PENNSYLVANIA STATE POLICE Turnover Per Cent	LOS ANGELES CITY POLICE Turnover Per Cent
January.....	6.4	56.1	9.4
February.....	6.2	81.0	7.0
March.....	5.9	77.9	2.3
April.....	4.8	93.5	2.3
May.....	4.0	68.6	1.2
June.....	5.6	66.8	8.2
July.....	2.1	99.7	1.2
August.....	2.6	93.5	5.8
September.....	5.9	65.4	3.5
October.....	4.6	56.1	9.4
November.....	4.6	46.7	11.7
December.....	5.6	37.4	4.7

¹ Mr. Albert S. Faught—unpublished address.

In Pennsylvania the annual turnover rate in 1921 for the State Police was 68.6 per cent; in Los Angeles City it was 5.6 per cent; and in the city of Philadelphia it was 4.8 per cent.

The movement from month to month in these three jurisdictions is shown in table at bottom of page 221.

The above explanation of the two public service departments with highest turnover is given to show the need of verification in the future before the tendencies here shown are regarded as conclusive. Other publications will be devoted to the very interesting

relationships between public and private employment. It is not the purpose of this study to make this contrast in detail.

The short item of service in the analysis for men is due to discharges in the early weeks of employment for the state police.

Contrasting men and women in public service, the table below shows that for the first year's service "women are more apt to leave after one to three months' service; while the men will either drop out sooner than three months or else stay until after six months."

TABLE 16—LENGTH OF SERVICE OF PENNSYLVANIA PUBLIC SERVICE AND STATE POLICE
Absolute Numbers and Percentages

LENGTH OF SERVICE	PUBLIC SERVICE						STATE POLICE	
	Men		Women		Total		Total	
	No. of Exits	% of Exits	No. of Exits	% of Exits	No. of Exits	% of Exits	No. of Exits	% of Exits
Under 1 week	56	5.2	4	1.7	60	4.6	38	14.4
1 week and under 1 month	102	9.5	13	5.6	115	8.8	62	23.5
1 month and under 3 months	227	21.1	69	29.9	296	22.7	32	12.1
3 months and under 6 months	211	19.6	35	15.2	246	18.9	33	12.5
6 months and under 1 year	190	17.7	23	10.0	213	16.3	49	18.5
1 year and under 2 years	137	12.7	46	19.9	183	14.0	16	6.1
2 years and under 3 years	71	6.6	18	7.8	89	6.8	16	6.1
3 years and under 5 years	34	3.2	7	3.0	41	3.1	15	5.7
5 years and over	44	4.1	16	6.9	60	4.6	3	1.1
Unknown	3	0.3	0	0.0	3	0.2	0	0.0
Total	1,075	100.0	231	100.0	1,305	100.0	264	100.0

VIII—CONCLUSIONS

On the basis of turnover the eighteen months from January, 1921 to June, 1922 naturally divide into three periods. The first, ending in May, 1921, was characterized by a rising turnover much of which was caused by resignations in anticipation of lay offs or resignations immediately following the restive days of a lay off; the second period is more even, with a slowly lowered turnover; in the last period accelerated production, activity in the building trades, and the opportunities for laborers accompanied by some adjustment in laborers' rates account for the high turnover of the months of 1922.

No attempt has been made to use refined statistical methods in the interpretation of data in connection with this study. Only the most obvious conclusions have been drawn, owing to the experimental character of the first period of reporting. Even with this care some conclusions are at variance with current statements of the tendencies of labor turnover. The case of lay offs is so striking that it is worth emphasis, even if later study should show that the relationship is merely the happening of an abnormal industrial period. The contour of the curves, except in the case of unexpected lay offs after all plants were dull, is determined by the resignation rather than by the lay off curve. This conclusion is in accordance with traditions of workmen. Observers in industry in this period have emphasized the respect felt by the workers for the person who finds himself a job elsewhere before he is laid off, as the joking of workmen would put it, he is a fellow who does not consider himself so important to the company that he will undoubtedly be kept. In the case of "Work Elsewhere" while evi-

dence is not wholly conclusive, the locality and firm to which workers shift wherever detail is specified under "better position" indicates a much more restricted area of turnover than is usually described. Much of the turnover is within the trade and within the best known and outstanding plants in the trade. For example, in the case of hotel employees the same factors influence the workers to shift that influence the guests. In the summer months when the mountains are delightful to play in, they are equally attractive to work in and employees follow the guests for the same reasons that the guests move. This will account for the relative stability of hotel employees between seasons and the almost complete exodus when the season changes. The tendency of hosiery workers to follow the full-fashioned trade has already been cited. The evidence secured by the Department is too scrappy to push conclusions even as far as the accumulating material suggests. More careful attention to this item will be given in later work.

This study is in no way concerned with what is a normal turnover. The whole emphasis rests upon the discovery of what are the actual causes of turnover and the way in which these causes are related to each other, to production conditions in concerns, and to wider factors influencing the whole market. It is not contended that a low turnover rate is always desirable. Turnover may be too low, as well as too high. To quote an illustration from Mr. Faught, "An efficient hospital may depend on having a resident-medical staff which is continually being recruited, with a relatively high turnover rate, rather than on having a staff of physicians who

are afraid to cut loose and practice for themselves, and who by lingering on the staff for many years markedly reduce the turnover rate."¹ The question is one of a balance of satisfactoriness among occupations. Turnover may be low for a whole plant and yet relatively very high for one or two occupations or departments.

Sometimes parts of an occupation must be studied as in the case of turnover for waitresses reported by a large hotel. For the whole occupation the turnover rate is relatively high as contrasted with other hotel occupations. Analysis shows that the problem is not due to a high turnover in the main dining rooms where service is uniform and tipping general. The difficulty arises before a waitress gets transferred from the side halls. If the waitress is inexperienced in training, she must begin in the various dining rooms used by chauffeurs and nurse girls. Turnover occurs either in the first week of learning or because an opportunity to transfer to the main dining room does not occur as soon as expected by the employee. Some of this is a matter of the distribution of tipping. Guests who will pay generously for service for themselves in the main dining room, are liable to forget the service to their children and attendants in other parts of the hotel. Turnover thus depends in a very direct way upon occupations. Since the quantity and variety of occupations within any plant is very great, and since it is unlikely that these occupations will occur in similar proportions in plants of the same type even in related industries, generalizations, as to what is normal for any situation, are impossible.

In later studies comparison of groups by use of correlation coefficients may be possible. Age, education,

¹ Albert Smith Faught—unpublished address.

and nationality now reported by a few firms should be considered. In the case of such factors, and in that already mentioned in connection with length of service, statements concerning exits are useless unless audit is made of the same factors for the employees in the active file of the firm. In this experimental stage only the most salient facts of turnover could be uniformly secured. In time findings may prove illuminating in other directions. Even at this stage it is apparent that the shifting about of employees is not the disordered floating from place to place that war writings deplored. Well marked similar movements characterize our first period of group comparisons.

Ultimately the complex of turnover tendencies for an area can be combined into a turnover index. The Department is, in fact, working upon such an index. In at least one case a scanty index was used to adjust wages.

The Franklin Motor Works used the rates for the various occupations that prevailed in 1905 as the basis of their relative rating. The rates of that year were chosen because those seemed to be the rates most satisfactory to workers as evidenced by the low labor turnover rates of that year. From the point of view of workers this is probably the best index to the relative satisfactoriness of rates. If the rates of turnover are the same in the various occupations and operations or if they increase as we go downward from the highest valued operations, but increase gradually (for we hope that those in lower valued operations are less contented than those in the higher valued and seek to progress), this fact may be taken as indicating fair satisfactoriness of such rates.²

In formulating such an index one must be sure that the lower turnover is due to "satisfactoriness of rates" rather

² *Relative Rating Versus Cost of Living as a Basis of Adjusting Wage-Rates*, Thomas W. Mitchell, Ph.D.—ANNALS, March, 1922, p. 51.

than to the knowledge that the "quitting is not good." Besides any adjustment of wages from occupation to occupation on a fixed basis which disregards supply of labor is an emergency measure helpful only in the transition of a rapidly changing period.

This study shows that a beginning only has been made in the coordination of education and industry in personnel research. The whole future of development depends upon the farsightedness of the business group as well as upon the faith and earnestness of educational workers. How vast is the field to be explored is well set forth in this recent statement of Professor Yerkes:

Personnel research, if it is to stabilize industrial production, further the development of the personality, and increase human satisfaction with life, must study intensively as well as extensively, with all of the methods available to modern science, the physical, mental, and spiritual qualities and relations of the human being. Much already has been accomplished in the study of the relations of the body of the worker to industrial demands. Specifications are being prepared which indicate the ordinary requirements of jobs and occupations and enable the employment man-

ager, in the light of definite knowledge of the worker, to estimate his degree of physical fitness or adequacy for a particular kind of work. The individual may be too large or too small, too strong or too weak, too quick or too slow, too resistant to fatigue or not sufficiently so, to meet the requirements of a particular task without waste and without personal harm. There is no reason why industry should not know alike and with practical accuracy, occupational requirements and the bodily characteristics and capacity of the worker, so that these two sets of facts may be more satisfactorily related to each other.¹

Labor Turnover has been one of the first of these many factors to demand attention. Its ramifications carry the investigator into the realm of wider study. Is it too optimistic to believe with Professor Yerkes that "We stand on the threshold of a new era in which attention and interest are beginning to shift from the material to the personal; from the things that are worked with, to the worker; from the machinery of industry, to the man who made, owns, or operates it."²

¹ *What is Personnel Research?*—Robert M. Yerkes, *The Journal of Personnel Research*, June, 1922, p. 59.

² *Ibid.*, p. 56-57.

Exhibit No. 1—Causes of Leaving Blank.

Exhibit No. 2—Causes of Leaving Blank—Detailed form.

Table No. 1—Total Turnover Percentages—Nineteen firms, January, 1921–June, 1922.

Table No. 2—Lay Off Turnover Percentages—Nineteen firms, January, 1921–June, 1922.

Table No. 3—Quarterly Report—Total Turnover Percentage—Twenty firms, January, 1921–June, 1922.

Table No. 4—Quarterly Report—Lay Off Turnover Percentages—Twenty firms, January, 1921–June, 1922.

Average number of men employed.....

[illegible]

Circle M if male, F if female. If colored, circle C in addition. Under Reason for Leaving R signifies Resignation; L, Lay off; D, Discharge; M, Miscellaneous. Circle Classification in which the exit falls, in addition to giving the specific reason for leaving.

EXHIBIT 2—CAUSES OF LEAVING

Average number of men employed													
NAME OR NUMBER	BIRTH		RACE AND SEX	DEPARTMENT	POSITION HELD	SHIFT	EDUCATION			MARITAL STATUS	DATE ENTERED	DATE LEFT	REASON FOR LEAVING
	DATE	PLACE					LEFT SCHOOL	AGE	GRADE				
			C F							S M			R D L M
			C M							S M			R D L M
			C F							S M			R D L M
			C M							S M			R D L M
			C F							S M			R D L M
			C M							S M			R D L M
			C F							S M			R D L M
			C M							S M			R D L M
			C F							S M			R D L M
			C M							S M			R D L M
			C F							S M			R D L M
			C M							S M			R D L M
			C F							S M			R D L M
			C M							S M			R D L M
			C F							S M			R D L M
			C M							S M			R D L M
			C F							S M			R D L M

Under Race and Sex circle M if male, F if female. If colored, circle C in addition. Under Marital Status signifies single, M married. Under Reason for Leaving signifies Resignation; L, Lay off; D, Discharge; M, Miscellaneous. Circle Classification in which the exit falls, in addition to giving the specific reason for leaving.

APPENDIX

APPENDIX—TABLE 1—TOTAL TURNOVER PERCENTAGES
Nineteen Firms: January, 1921 to June, 1922

MONTH	No. 1	No. 2	No. 3	No. 4	No. 6	No. 7	No. 8	No. 9	No. 10	No. 11	No. 12	No. 14	No. 15	No. 16	No. 17	No. 18	No. 19	No. 21	No. 24
1921																			
Jan.....	39.7	36.9	121.8	69.0	32.1	77.0	86.8	....	137.9	88.4	....	....	42.8	....	....	....	....	....	112.2
Feb.....	15.7	92.7	15.7	53.0	12.3	68.2	54.3	....	72.9	108.6	....	....	3.3	....	....	....	....	....	52.5
Mar.....	17.3	127.9	47.4	33.0	82.2	92.3	63.9	....	65.0	183.2	....	....	9.9	....	....	....	....	....	184.1
Apr.....	26.4	64.3	29.4	38.0	145.6	156.3	311.0	....	902.2	77.4	....	....	72.0	....	....	....	....	....	204.3
May.....	46.3	57.9	29.7	36.9	35.4	112.8	140.8	....	87.0	101.2	....	....	36.4	....	....	....	....	....	217.9
June.....	33.6	67.7	52.6	51.1	198.3	97.0	54.0	....	78.4	108.8	....	....	61.0	....	....	....	....	....	245.5
July.....	19.4	47.5	19.7	67.1	0.0	238.5	17.8	....	87.5	119.9	....	....	52.0	....	....	....	....	....	164.0
Aug.....	10.7	45.4	34.3	88.9	177.0	453.7	47.8	....	55.9	224.8	....	....	25.9	....	....	....	....	....	203.2
Sept.....	15.7	60.7	14.5	112.3	21.3	155.4	74.8	....	48.8	135.7	....	....	34.6	....	....	....	....	....	190.7
Oct.....	16.1	36.5	11.7	115.4	35.7	201.1	138.3	62.9	79.7	68.1	91.6	....	53.9	....	....	....	....	....	156.5
Nov.....	12.6	53.3	11.6	54.6	7.1	156.7	103.9	65.8	30.6	37.1	....	....	106.9	114.0	52.3	146.9	....	....	205.7
Dec.....	12.9	38.9	26.3	*33.5	6.9	104.8	70.2	27.0	51.4	36.5	....	....	25.9	128.2	45.2	....	....	....	98.7
1922																			
Jan.....	30.2	40.0	54.1	31.6	6.9	81.1	30.3	57.1	68.1	53.2	79.3	33.8	18.1	71.9	99.5	117.3	7.9	60.5	204.0
Feb.....	21.7	46.2	24.9	36.8	0.0	245.6	28.8	30.8	73.1	87.7	79.4	20.6	60.7	65.6	110.5	235.6	66.5	72.9	154.9
Mar.....	23.0	39.4	9.4	51.8	26.5	127.8	110.2	103.5	102.8	54.6	103.4	54.7	39.2	127.1	48.6	228.3	50.0	137.3	190.4
Apr.....	15.6	83.7	22.2	68.2	0.0	129.0	126.6	93.3	173.2	37.9	104.0	50.6	58.7	70.2	60.8	303.3	15.3	119.3	180.8
May.....	18.8	59.8	25.9	83.5	13.0	111.6	142.6	173.7	179.0	58.8	106.5	105.8	105.5	204.6	61.3	242.5	25.5	201.5	290.8
June.....	18.8	54.8	29.4	120.0	12.8	86.5	164.2	216.6	135.4	64.8	87.1	107.3	170.6	90.9	36.4	182.2	35.4	212.2	274.8

* Estimated.

APPENDIX—TABLE 2—LAY OFF TURNOVER PERCENTAGE
 Nineteen Firms: January, 1921 to June, 1922

Month	No. 1	No. 2	No. 3	No. 4	No. 6	No. 7	No. 8	No. 9	No. 10	No. 11	No. 12	No. 14	No. 15	No. 16	No. 17	No. 18	No. 19	No. 21	No. 24
1921																			
Jan.	20.2	10.3	106.9	45.0	0.0	24.6	40.1	....	110.3	15.3	....	....	23.0	....	....	....	....	....	19.5
Feb.	0.7	10.0	0.0	27.0	0.0	16.2	3.3	....	42.5	40.2	....	....	0.0	....	....	....	....	....	18.4
Mar.	1.2	32.6	18.4	6.0	65.8	23.6	16.8	....	19.5	36.4	....	....	3.3	....	....	....	....	....	0.0
Apr.	3.3	12.7	0.0	2.0	119.1	71.5	241.4	....	835.6	9.7	....	....	58.3	....	....	....	....	....	0.0
May.	19.4	18.6	2.7	10.7	0.0	38.7	117.6	....	31.1	31.1	....	....	0.0	....	....	....	....	....	5.4
June.	4.2	13.0	16.6	17.6	182.6	35.4	22.5	....	49.0	48.9	....	....	28.7	....	....	....	....	....	0.0
July.	0.0	2.1	5.7	3.9	0.0	189.7	1.6	....	36.1	67.9	....	....	40.0	....	....	....	....	....	1.6
Aug.	0.9	4.7	2.8	18.0	177.0	408.3	12.3	....	10.1	103.1	....	....	0.0	....	....	....	....	....	7.4
Sept.	3.7	17.8	0.0	45.8	0.0	101.0	10.2	....	4.9	84.8	....	....	0.0	....	....	....	....	....	5.4
Oct.	5.6	7.7	2.9	75.9	21.4	165.9	83.5	26.2	13.3	25.2	3.3	....	9.5	....	....	....	....	....	0.0
Nov.	5.4	15.4	0.0	22.0	0.0	114.0	70.1	65.8	0.0	8.4	....	....	96.6	0.0	5.5	0.0	....	....	61.3
Dec.	5.3	3.8	17.6	*15.7	0.0	79.0	34.5	0.0	0.0	9.0	....	....	18.5	0.0	25.4	....	....	3.2	93.7
1922																			
Jan.	6.1	5.5	51.1	13.3	0.0	43.9	11.0	4.4	21.3	26.6	13.2	0.0	0.0	0.0	2.9	0.0	1.6	33.6	35.1
Feb.	6.9	15.2	9.3	0.6	0.0	187.0	5.5	8.8	25.8	63.7	17.5	0.0	46.4	0.0	52.2	7.4	60.0	0.0	9.4
Mar.	5.0	7.9	3.1	0.0	6.6	51.5	12.2	0.0	21.4	11.6	19.6	27.4	0.0	0.0	0.0	23.4	31.7	9.8	22.7
Apr.	1.2	50.3	9.5	2.1	0.0	36.1	1.1	2.6	12.4	2.7	13.1	0.0	0.0	0.0	6.4	6.6	0.0	3.3	32.0
May.	2.9	3.6	9.7	0.0	6.5	17.1	2.4	0.0	7.6	1.2	1.6	0.0	0.0	0.0	6.4	0.0	6.8	0.0	55.0
June.	0.0	5.9	3.3	1.0	0.0	9.0	8.1	0.0	15.1	0.0	4.1	0.0	22.8	0.0	3.3	0.0	0.0	0.0	25.2

Estimated.

 APPENDIX—TABLE 3—QUARTERLY REPORTS, TOTAL TURNOVER PERCENTAGE
 Twenty Firms: January, 1921 to June, 1922

Quarter	No. 1	No. 2	No. 3	No. 4	No. 6	No. 7	No. 8	No. 9	No. 10	No. 11	No. 12	No. 14	No. 15	No. 16	No. 17	No. 18	No. 19	No. 21	No. 24	No. 27
1921																				
Jan.-March	23.8	87.5	62.8	51.7	42.2	78.9	67.3	....	94.0	125.4	....	....	18.7	....	....	....	....	....	120.9	....
Apr.-June..	35.2	63.3	37.1	42.0	126.7	127.2	181.0	....	394.9	95.5	....	....	48.6	....	....	....	....	....	224.0	....
July-Sept.	14.9	51.3	22.9	88.8	65.5	284.1	47.8	....	63.8	159.9	....	....	36.6	....	....	....	....	....	186.7	....
Oct.-Dec..	13.8	42.8	16.6	68.8	16.5	170.7	104.0	50.8	53.8	47.4	....	....	63.2	120.7	48.7	....	....	....	177.2	....
1922																				
Jan.-March	24.9	41.1	*17.1	40.8	11.4	149.2	56.6	68.0	81.4	65.2	87.3	36.7	39.4	88.1	87.2	201.2	41.1	90.6	182.8	40.6
Apr.-June..	17.8	65.7	25.7	80.1	8.6	107.5	143.9	166.7	102.3	54.4	99.2	89.6	136.0	121.8	53.0	241.3	25.5	180.7	244.6	....

* Figures for February and March only.

APPENDIX—TABLE 4—QUARTERLY REPORT, LAY OFF TURNOVER PERCENTAGES
Nineteen Firms: January, 1921 to June, 1922

FIRM NUMBER	1921 QUARTERS				1922 QUARTERS	
	Jan.-Mar.	Apr.-June	July-Sept.	Oct.-Dec.	Jan.-Mar.	Apr.-June
1.....	7.0	8.6	1.5	5.5	6.0	1.5
2.....	17.8	14.7	8.3	8.9	9.3	19.4
3.....	43.0	6.3	2.9	6.8	6.2	7.5
4.....	26.1	10.2	22.0	38.6	4.2	0.9
6.....	21.8	100.8	59.0	7.1	2.3	2.15
7.....	21.8	51.7	233.8	133.7	91.4	20.1
8.....	18.9	137.0	8.2	62.8	9.6	3.9
9.....	.....	.....	.....	29.5	3.9	0.8
10.....	60.0	344.0	16.8	4.4	22.8	11.6
11.....	30.5	29.4	104.9	14.3	34.2	1.3
12.....	.....	.....	.....	.....	16.8	6.3
14.....	.....	.....	.....	.....	9.5	0.0
15.....	8.8	29.6	12.2	41.4	15.5	7.9
16.....	.....	.....	.....	0.0 ^a	0.0	0.0
17.....	.....	.....	.....	15.3 ^a	18.5	5.4
18.....	12.0	2.1
19.....	30.8	2.3
21.....	14.4	2.3
24.....	10.7	1.8	4.9	51.1	22.4	37.1

^a November and December, 1921.

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